

Realty Trust Review

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RELATIVE APPEAL RANKING & ADVISORY ISSUE

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INVESTMENT POLICY: POSITIONING TO BENEFIT FROM THE MEGABUCK INFLUX

Recent weeks have seen a startling jump in the number of megabuck investors, most foreigners, unlimbering their wallets to buy U.S. realty trusts. Examples:

--Marathon Realty, subsidiary of Canadian Pacific Investments Ltd., proposed buying General Growth Properties at \$35/sh., topping the \$30 cash offered by Matthew & Martin Bucksbaum. With bidding started, higher offers are possible. The offer is worth about \$217 million.

--Bouverie Properties Inc., affiliate of Britain's Nat. Coal Board pension

plan, plans to offer \$30/sh. or \$144 million for Continental Illinois Props., topping an earlier \$25/sh. offer.

--Builder Wm. Lyon Co. bought 71.7% of Cont. Ill. Rlty. with an \$11/sh. tender.

This means we're in a boomy climate in which it's best not to reach for stocks, to dollar-cost average on recovery stocks. Our ranking changes are geared to this.

RANKING CHANGES IN THIS ISSUE

INCREASES IN RANKINGS

Baird & Warner Mtg., No. 3 to No. 2 for benefits of control fight end.
Barnes Mtg. Tr., No. 3N to 2N, for better condo sales & discount from book.
CleveTrust Rlty., No. 2 to 1, for good assets at discount from book value.
Cont. Ill. Prop., No. 3 to 2, for arbitraging on offer over \$30/sh.
Guardian Mtg., No. 4N to 3N, on preliminary court approval of Ch. XI plan.
Property Cap. Tr., No. 3 to 2, for gradual further earnings gains.

DECREASES IN RANKINGS

BankAmerica Rlty., No. 1 to 2, on price move to near book value.
Institutional Inv., No. 1N to 2N, on higher risk of liquidity squeeze.
Texas First Mtg., No. 1N to 2N, on price gains that limit potential.

ROSTER OF NO. 1 RANKINGS

<u>Dividend payers</u>	<u>No dividend</u>
CleveTrust Realty	Compass Inv. Gr.
Conn.Gen. M&R	Cameron-Brown Inv.
Federal Realty	Eastover Corp.
Fla. Gulf Realty	Fidelco Growth
GREIT Realty	GMR Properties
Hospital Mtg. Gr.	Great Amer. M&I
Hotel Investors	Indiana M&R
MassMutual M&R	Maryland Realty
Mtg. Growth Inv.	#Moraga Corp.
Pacific So. Mtg.	Mtg. Tr. Amer.
Penn. REIT	Security Mtg.
#United Realty	

Audit holds minor positions; p.2.

KEEPING UP WITH OUR SISTER SERVICES

REAL ESTATE DISCLOSURE DIGEST's June 15 issue will contain our annual review of over 100 homebuilding and real estate companies, published in conjunction with HOUSING Magazine.

Single copy: \$10 prepaid

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Individual portfolio consultation \$175 hr. to subscribers. \$250 nonsubscribers.

RELATIVE APPEAL RANKINGS AND LATEST RESULTS

Relative Appeal (RA) Rankings, shown at extreme left, give Audit Investment Research's current view of relative attractiveness of new share purchases. All trusts are ranked from No. 1 to 5 based on individual dividend and earnings outlook compared to the overall market. Non-dividend paying trusts are shown with an "N" beside their rankings. Each summary contains brief advice and comment. Changes in rankings are indicated by ↑ UP and ↓ DOWN. Relative Appeal Rankings mean:

- 1--Highest appeal with lowest market risk; Dividend and earnings outlook stable to up.
- 2--Above average appeal, higher market risk; Dividend increases or resumption possible.
- 3--Average appeal and market risk; Dividend fluctuates or resumption possible long-term.
- 4--Below average appeal, high market risk; Dividend cuts or omissions possible.
- 5--Least general appeal; Special problems suitable for sophisticated investors only.

NON-DIVIDEND PAYING trusts are not recommended for income investors but may have trading appeal as speculations upon quick or large price moves on asset swaps, money market or other news.

All numbers are amounts per share except those denoted "M" or "T" for million and thousands respectively. E or Est.=Estimates for current or next years. EPS=Earnings per share. CFS=Net cash flow per share as computed by Audit Inv. Res. GCF=Gross cash flow per share. d=Deficit. FY=Fiscal year. p=Preliminary. Data, rankings and advice reviewed bimonthly. See footnotes at end of Rankings on Page 16 for important information on Tax status, Taxloss, Depreciation, Loss Reserve, Net Cash Flow. *Priced May 21; all others June 4. Bid prices used for all OTC stocks.

Audit Investment and/or its officers & employees hold minor positions in these stocks.

2N-AMER CENT: \$4.88 (ACT-NYS) Comment: Buy, recovery & improving props. Higher interest. may widen '79 loss. (Shs: 2607T, Book \$5.05). Bonds: Speculative yield. Intangibles: Loss res.\$5.87; Taxloss \$8.94. Assets: \$97M, 10% non, 40% low-earn; 67% forecl.; Mix: 40% office, 22% hotel, most Wash. D.C. Financing: \$68M debt is 4.8X \$13.2M net equity. \$41M bank debt at 4/79 extended to 12/81 @ prime to 10% maximum.

EPS:	Sept.	Dec.	Mar.	June	Year
FY'78	d19c	d13c	d7c	9ca	d28ca
FY'79	d7c	d17c	d9c		

a-Incl. 9c asset swaps.

(NON-QUAL TRUST; Life co. advisor)

2 -AMER EQUITY INV: \$8.00 (AEQTS-OTC). Comment: Buy for yield, part from capital gains, & improving operations. (Sh: 2497T, Net book \$6.25; Accum. Deprec. \$4.45). Assets: \$62M, 2% nonearn. Mix: 77% props., 18% mtgs. on props. sold, 3% GNMA certifs. Props. 80% garden apts. w/3,650 units; 49% TX. Financing: \$46M mtg. debt is 2.9X \$16M equity. Earnings: FY'78 \$1.14 incl. 59c sale gain; Mar. Q 16c. Div: Pd \$1.12 FY'78 (61% cap. gain); \$1.20 last 12 mon. (Admin. by Life Inv. Insur., Cedar Rapids, IA)

3N-AMER FLETCHER: \$2.50* (AFM-OTC) Comment: Hi-risk spec. on more improvement & poss. acquisition. Clean balance sheet. (Sh: 1352T; Bk \$1.54) Intangibles: Loss res. \$4.33; Taxloss \$16.21. Assets: \$31M, 69% non-& 15% low-earn; 65% forecl. Mix: 71% land/dev.; 33% ind. Financing: \$20M bank debt is 9.6X \$2.1M equity. \$20.1M bank debt to 12/31/82 accrued at 4% inter., 2% cash + contingent to 114% prime.

EPS:	Apr.	July	Oct.	Jan.	Year
FY'78	d74c	d66c	d69c	1.06a	d1.03a
FY'79	67cb	42cb	d4cb	1.22b	2.33b

a-89c interest forgiveness. b-Asset swaps

& taxloss totaling \$2.37 in FY'79.

(NON-QUAL TRUST: Indiana bank advisor)

5N-AMER REALTY: \$2.88* (ARB-OTC) Comment: Sophisticated spec. only on restructuring; Liquidity low; Broker Brent Baird joined

board. (Sh: 2222T, Bk p\$3.03) Bonds: Missed 5/78 int. on 7% converts & Indenture Trustee seeks judgment; \$3.5M of 9½% debts. due Mar. 15 not paid & next move uncertain. Intangibles: Depr.\$3.65; Loss Res: 52c; Taxloss: 72c. Assets: \$37M, 36% nonearn. Mix: 72% prop. incl. 40% hotels Wash.D.C. area, 29% land. Optioned Atlanta hotel site for \$1.63/sh. gain. Financing: \$26M debt is 4.0X \$6.6M eq; Converted \$5M demand debt to mtg. Remaining \$6M being restructured. Earnings: Mar. Q 4c incl. 11c sale gain. (FY Sept.; NON-QUAL TRUST: Self-administered)

2N-API TRUST: \$2.50 (APITS-OTC) Comment: Selling assets to pay debt; recovery spec. on restructuring of sponsor Arlen Realty. (Sh: 1012T, Book \$7.15) Intangibles: Loss res: \$2.40; Depr. \$1.72; Taxloss NR. Assets: \$35M, E19% nonearn. Approx. 18% inv. assets due from Arlen Rlty. Mix: 37% prop, most shop. ctrs; 12 financing leases, 51% mtgs. Sold 11 shop. ctrs to sell 6 more. Financing: \$26½M debt is 3.7X \$7.2M equity; Debt is \$18M mtgs. & \$8M bank.

EPS:	June	Sept.	Dec.	Mar.	Year
FY'78	3c	d7c	d47c	d55c	d1.07a
FY'79	32cb	d19cb	3cb		

a-Incl. 65c loss on asset sales. b-65c gains on asset sales.

(Advised by Sub. of Arlen Realty)

2N-ATLANTA NAT: \$4.25 (ATNAS-OTC) Comment: Long-term hold at 52% below book; Lee Balter/Reed Rubin w/17% took board seats Oct.'78 (Sh: 1273T, Bk \$8.80) Intang: Loss res. \$3.89; Taxloss \$7.86. Assets: \$24M, 55% nonearn, 35% forecl., rest mtgs. Mix: 27% apts., 21% land, 19% condo; 34% TX, 36% Fla. Financing: \$6M bank debt is 0.5X \$11M equity; Debt at 115% of prime may be repaid & assets converted to cash

EPS:	Nov.	Feb.	May	Aug.	Year
FY'78	d12c	d4c	24ca	d1c	6ca
FY'79	d3c	d17c			

a-Incl. 11c inter. reversal & 2c taxloss.

(NON-QUAL TRUST; Self-administered 5/31/79.)

2 -BAIRD & WAR: \$13.25 (BAIDS-OTC) Comment: Buy/hold. NYC stockbroker Carl Icahn group w/28%

elected opposing trustee slate in May & prev. adviser to terminate June 30; Name change to Bayswater; Icahn goal: "Increase value of our shares." (Sh: 1043T, Bk p\$15.65) Converts: LT yield. Intangibles: Loss res. \$3.35; Depr. \$1.40. Assets: \$45M, 22% non-earn, 4% forecl. Mix: 43% investment prop, mostly apts., & 53% const. loans. Financing: \$26M debt is 1.6X \$16M equity. Liquidate val: "\$19"
EPS: Oct. Jan. Apr. July Year
 FY'78 d3c d59c d8c d23ca d93ca
 FY'79 dl c d50c 35c

a-Incl. 5c asset sale gains.
Est. FY'79 better. Div: Paid 5c sale gains
Dec. (Chicago mtg. banker advisor)

2 -BANKAMER RL: \$17.50 (BRLTS-OTC) Comment: Hold for income and asset growth. (Sh: 3547T, Book p\$17.53) Converts: Yield. Intangibles: Loss res. 90c; Depr. 96c. Assets: \$176M, 14% non- & low-earn. Mix: 41% prop, 26% apts, 32% shop.ctr. Combines land/lease & LT mtgs. Financing: \$119M debt is 2.0X \$61M equity. Debt: \$50M comcl. paper, \$18M bank short.
EPS: Oct. Jan. Apr. July Year
 FY'78 1.41a 18c 31c 37c 2.27a
 FY'79 32c 42cb 37c E 1.50+
 a-Incl. \$1.46 gain on asset sale. b-16c asset sale gain.
Div. Q 25c; \$1.00 ann. rate; '78 payout 78% cap. gain. (Advised by sub. of largest U.S. bank)

#2N -BARNES MTG: \$2.38 (BARNES-OTC) Comment: Improving recovery spec. as condo selling ability may cut losses. (Sh: 1910T, Book \$9.82) Intangibles: Loss res:\$1.70; Taxloss \$8.31. Assets: \$78M, 78% nonearn, 47% forcl. Mix: 44% condos, 32% land/devel.; 43% Fla., 32% Puerto Rico. Financing: \$53M debt (most bank) is 2.8X \$18.8M equity. Debt at 125% of prime to 12/80; Missed repayments & talking.
EPS: Dec. Mar. June Sept. Year
 FY'78 d19ca d20ca d23ca d78ca d1.40a
 FY'79 d50cb d52c
 a- 93c asset sale gains + 20c swap gains.
 b- 43c gain on condo sales.
 (NON-QUAL; Converting to Homac-Barnes Inc.; Self-adm. 1/79)

3N-BAY COLONY: \$5.50 (BAY-NYSE) Comment: Take some profits after runup; Hold longer term. Calif. rlt. co. DVM, Inc. buys 7.8% shs. (Sh: 3315T, Book \$6.27) Bonds: Hold. Intangibles: Loss res. \$3.83; Taxloss \$8.20. Assets: \$151M, 47% non-earn, 20% low-earn. 36% held for sale; Mix: 19% apts., 32% land; Developing land. Financing: \$118M debt is 5.7X \$21M equity. Bank debt \$15M at 3% due 2/81 & \$63M at 8½% due 5/86.
EPS: Aug. Nov. Feb. May Year
 FY'78 dl c d7c 7c d7c d8ca
 FY'79 7cb 31cb d25cb
 a-18c swap gains; b-96c sale gains 9 mos.
 (NON-QUAL TRUST: Self-administered)

2N-BRT RLTY: \$1.50 (BRT-ASE) Comment: Spec. on recovery; Broker Brent Baird bought 5%. (Sh: 1400T, Bk \$2.24) Intangibles: Loss res. \$2.48; Taxloss \$2.71. Assets: \$23M, 64% nonearn; 49%

hotel. Financing: \$15M debt is 4.8X \$3.1M equity. \$9M bank debt ½ over prime to 7/81.
EPS: Feb. May Aug. Nov. Year
 FY'78 d5c 26c 31c d41c d51c
 FY'79 d5c
 Possible 20c/sh. inter. forgiveness in Aug. qtr. (NJ realty broker adviser)

2N-BT MTG INV: \$2.38 (BTM-NYS) Comment: Spec. on keeping positive equity after swap gains. (Sh: 2116T, Bk p78c) Bonds: Risky hope assets recover by '82. Intangibles: Loss res. \$10.39; Taxloss \$6.57. Assets: \$114M, 69% nonearn, 34% forecl. Mix: 30% apts., 15% motel, 10% nursing home. Financing: Swaps cut debt to \$54.4M over \$1.65M equity. \$35M bank credit to 1/14/81, at 0% int. if amortz. terms met. Sponsor lends 63% credit. Swapped \$46.8M assets 5/18/79 to give \$1.65M positive equity, & elim. all con-ting. int. Proposes issuing 550T wts. @ \$2.30 expiring in 2 yrs. to settle lawsuit.
EPS: Dec. Mar. June Sept. Year
 FY'78 d5cb 31cb d14cb d47cb d35cb
 FY'79 22ca 25c

a-Incl. 35c int. arrears. b-\$1.20 asset swap gains & 31c sale gains.
 (CAN END REIT; Advised by sub. of Bankers Trust, NYC bank)

4N-BUILDERS INV: \$1.88 (BULDS-OTC) Comment: For believers; long recovery. Issued 1M wts. ex-er. @ \$1.72 to settle class action; wts. re-deemable @ \$1.40 in '82. (Sh: 2929T, Bk 54c) Intangibles: Loss res. \$6.62; Taxloss \$15.88. Assets: \$128M, 49% non, 41% lowearn; 29% condo, 24% land. Financing: \$106M debt is 67X \$1.6M net equity. \$83M bank debt at 2% to 9/79; 3% & higher after to '83. Assets pledged; Seeks stretch of \$40M in '79 repayments & will swap more assets. Earnings: Dec. Q 46c after 53c swap gains. (FY Sept.; NON-QUAL; Self-adm.)

1N-CAMERON-BR: \$4.63 (CB-NYSE) Comment: Recovery spec. on bank debt paydown; Clean bal. sheet & 46% below book; Asset swaps boosted book. (Sh: 2016T, Book \$8.67) Intangibles: Loss res. \$5.34; Taxloss \$5.56. Assets: \$62M, 52% non- & 26% low-earn; 61% forcl. 22% FL; 17% GA. 31% apts., 47% land & devel. Best assets gone. Financing: \$38M debt is 2.2X \$17M equity; \$33M bank debt at 5% or net income to 12/79; No sub. debt; \$5M interest notes.
EPS: Mar. June Sept. Dec. Year
 1978 d25ca d11ca 9ca 1.27a 1.01a
 1979 25cb

a-Incl. \$2.06 swap & 80c sale gains '78.
 b-Incl. 12c swap & 16c sale gains '79.
 Cut bank debt to \$27M in Apr. w/60c/sh. gain.
 (NON-QUAL TRUST: Advised by N. Carolina bank.)

2N-CAPITAL MTG: \$1.38 (CMU-PH) Comment: Spec. buy on potential merger; Ended talks with private Columbia Corp., Md. S&L holding co. (Sh: 1675T common, Bk d88c) Pfd.: 548T conv. sh. issued to banks in lieu of inter. Converts: Missed 5/15 inter; Hold for workout. Intang: Loss res. \$9.67; Taxloss \$10.17. Assets: \$53M, 50% nonearn, 36% forecl. Mix: 39% land (being developed), 6% hotel/motel, 35% LT mtgs. 50% Wash.D.C. area. Finances: \$40M debt over \$1½M

neg. net equity; Bank credit expires 8/1/79 & seeks new agree; Bond int. missed till settlement with banks.

	Mar.	June	Sept.	Dec.	Year
EPS:	49¢	d55¢	d1¢	19¢	10¢
1978	49¢	d55¢	d1¢	19¢	10¢
1979	11¢				

a-Swap gains: 62¢ + 44¢ tax benefits '78.

b-Sale gains: 45¢ '78; 8¢ '79.

(NON-QUAL TRUST; Independent)

2N-CENTRAL MI: \$7.88 (CMRTS-OTC) Comment: Buy/hold at 41% below book; operating breakeven & selling land; Rejected one merger overture but still buyout. (Sh: 775T, Book \$13.42) Intangibles: Loss res. 92¢. Assets: \$17M, 14% non- & 2% low-earn; 16% forecl. 38% apts., 31% land; most Midwest. Financing: \$5.8M debt (92% bank) is 0.6X \$10M equity. New \$6M bank credit to 10/80 at 117% prime permits new loans; No subor. debt.

	June	Sept.	Dec.	Mar.	Year
EPS:	d39¢	d15¢	4¢	3¢	d47¢
FY'78	d39¢	d15¢	4¢	3¢	d47¢
FY'79	26¢	54¢	60¢		

a-Incl. 87¢ asset sale gains in 9 mos.

(Advised by Minneapolis mtg. banker)

5N-CHASE MAN: \$1.00* (CMR-OTC) Comment: Avoid or sophisticated spec. via bonds; Stock dilution under proposed plan. (Sh: 5142T, Bk d\$6.30) Bankruptcy: Filed Ch. XI 2/22/79; banks dominate creditors' cmte. Filed amended plan 4/20 & will seek creditor approval of: Exchange new Ser. A pfd. w/\$30.75 liquidating value & convt. into 24½ sh. or potential 41.4M new sh. Would repay defaulted 7-7/8% sr. notes at 90% of par + 7 pfd. sh. (Est. \$1070 total value) & swap assets for \$150M bank debt, & issue 5.1M sh. to banks. Subor. debt would get \$220 cash + 20 pfd. (Est. \$710 total val). New voting lineup: Sub. debt 68%; banks 10%; current shs. 10%; Sr. notes 12%. Filing proxy. If accepted trust would keep 2,700-acre Palmas del Mar resort in PR & 3 other assets w/\$50M total value (or 97¢/sh. on potential sh.) Seven noteholders seek Ch. X. Intang. on current sh: Taxloss \$8.90; Loss res. \$5.19.

	Aug.	Nov.	Feb.	May	Year
EPS:	39¢	d1.69	d1.37	d1.26	d3.93a
FY'78	39¢	d1.69	d1.37	d1.26	d3.93a
FY'79	d97b	d1.21	d0.32b		

a-Incl. \$1.83 swap & extra. gains. b-Incl.

60¢ asset sale gains in 9 months.

(NON-QUAL; Sponsor Chase Bank walking)

3N-CI MTG GR: \$6.13 (CI-PH) Comment: Avg. recovery spec. after swaps restored positive equity; Sponsor may buy up to 1M shares. (Sh: 4812T, Book \$5.83) Intangibles: Loss res. \$4.51; Taxloss p\$6.85. Assets: \$114M, 39% non- & 54% lowearn, 71% forecl. 49% apts., most Northeast. Financing: \$65M debt is 2.3X \$28M equity; \$57M bank debt secured, accruing at 5% to 10/82, & \$7M non-interest bearing notes. Swapped more assets in Feb. for \$2.6M gain & \$8.4M debt.

	Jan.	Apr.	July	Oct.	Year
EPS:	d35¢	d24¢	d23¢	d.03	d0.85
FY'78	d35¢	d24¢	d23¢	d.03	d0.85
FY'79	9.19a				

a-Asset swap & taxloss gain: \$9.56

(NON-QUAL; advised by sub. of City Investing)

3 -CI REALTY: \$24.75 (CIX-NYSE) Comment: Limited

potential after price surge; David J. Greene Co. group holds 24.7% & to seek liquidation vote; Adviser bought 18%; Tamco sold. NYC offices improved. (Sh. 2609T, Net Book \$16.59 + Depr. \$5.31) Intangibles: Taxloss \$2.53. Assets: \$103M, 4% nonearn; 93% props. Mix: 46% NYC offices, 43% apts., 10% shop. ctrs. Financing: \$70M mtg. debt is 1.6X \$43M equity. No int. rate exposure.

	May	Aug.	Nov.	Feb.	Year
EPS/CFS	d14/+2¢	d13/+2	d8/+7	13/27a	d22/38a
FY'78	d14/+2¢	d13/+2	d8/+7	13/27a	d22/38a
FY'79	d8/+8¢	d9/+12¢	1/24¢	1/34a	d4/78ca

a-Incl. sales gain: 23¢ '78; 11¢ '79.

Div: Apr. @ 40¢ ann. rate. (NON-QUAL. TRUST; Advised by sub. of City Investing)

NR-CITINAT DEV: \$8.88* (OTC) Comment: Intends to dispose of assets and distribute proceeds to shareholders. (Sh: 600T, Book \$13.13)

3N-CIT & SO RL: \$2.38 (CZS-NYSE) Comment: Takeover spec. since bank agreement caps book value. (Sh: p5443T after 1.6M sh. issued for wts.; Book p\$1.67; 11,261T reserved for wts.) Ser. B wts. & new 3%/7% debent. listed on PSE; Debs. usable at par to exer. wts. @ \$2 till 3/83. Intangibles on sh. out: Loss res. \$4.35; Taxloss \$23.75. Assets: \$129M, 25% nonearn. Mix: 55% invest. props; 28% mtgs.; 33% apts.; 39% GA, 26% TX. Financing: \$102M debt is 17.7X \$5.7M equity. \$76.6M bank debt accrued at 2% interest to 9/82.

	Sept.	Dec.	Mar.	June	Year
EPS:	d3¢	16¢	d20¢	d21¢	33¢b
FY'78	d3¢	16¢	d20¢	d21¢	33¢b
FY'79	1.77a	d20ca	d0ca		

a-After \$1.90 swap gains & other credits in 1979. b-After 45¢ swap gains; Quarter figures do not add. All amts. on primary shares, which vary widely w/mkt. price.

(NON-QUAL: To change name & become self-adm.)

3N-CIT GROWTH: \$3.50 (CITGS-OTC) Comment: Hold; Broker Brent Baird owns 24.4%. Eastover owns 4.7% & seeks to manage assets. (Sh: 811T, Bk \$7.01) Intangibles: Loss res. \$2.02; Taxloss \$7.43. Assets: \$9M, 52% nonearn, 24% forecl. Mix: Heaviest motels & land. Financing: \$1.8M debt is 0.3X \$5.7M equity. \$0.8M bank credit to 7/80 @4%. Assets pledged. Earnings: Jan. FY 19¢ incl. 7¢ tax benefits. Apr. Q 4¢. (FY Jan.; NON-QUAL; Adv. by independent Cleveland group)

5N-CITIZENS MI: 50¢* (CZM-OTC) Comment: Avoid; in Ch. X. (Sh: 1421T, Book d\$17.17) Notes: 8½% of '80 high risk play on hope that former sponsor must pay in full; otherwise not much left if banks get full payment under Ch. X "absolute priority" rule. Noteholders' committee formed 2/28/79. Bankruptcy: Filed Ch. X 10/78 after trustee Chemical Bank called 8½% notes; 8½% were in default since 10/15/76.

	Mar.	June	Sept.	Dec.	Year
EPS:	d56¢	d45¢	d15¢		
1978	d56¢	d45¢	d15¢		

No auditor's opinion '77. Intangibles: Loss res. \$14.22; Taxloss \$11.68. (NON-QUAL TRUST: Self-adm. 1/79; run by court appointed trustee

1 -CLEVETRUST: \$7.00 (CTRI-OTC) Comment: Buy/hold long-term or for takeover at 35% below book; '79 EPS down unless assets sold.

(Sh: 2525T, Book \$10.72 + Depr. \$2.08) Intangibles: Loss res. \$2.95; Taxloss \$3.52.

Assets: \$78M, 26% non, 15% low-earn; 28% for sale. Mix: 74% props. incl. sale; 28% apts., 48% comcl/office, 15% land. Financing: \$53M debt is 2.0X \$27M equity. \$18M bank debt to 12/31/82. \$4M at prime, \$14M at 7½%.

EPS/CFS Dec. Mar. June Sept. Year
FY'78 d1/d3ca 73/76ca d17/d30c 22/43ca 88/86ca
FY'79 2/7c d1/

a-\$1.48 asset sales gains & 42c taxloss benefits in FY'78.

Div: June 5c/Q. (NON-QUAL TRUST: Adv. by Cleveland bank sub.)

2N-CMT INV. (was COLWELL): \$3.00 (CLMTS-OTC) Comment: Buy/hold for moderate LT recovery; Pfd. (\$2.88-OTC) favored, \$7.50 liquidate value. (Sh: 2030T common + 2149T pfd., Book \$2.83 combined) Intangibles on total sh: Loss res. \$3.72; Taxloss \$8.85. Assets: \$110M, 22% non-, 8% low-earn; 36% forcl. + 23% refinanced; 34% apts., 14% motel, 20% shop. centers. Financing: \$87M debt is 7.4X combined \$11.8M equity. \$85M secured bank debt @ 8%.

EPS: Mar. June Sept. Dec. Year
1978 d25c 6.12a d1.12 d30c 4.45a

a-Incl. \$4.64 gain on bankruptcy stlmt.

Est: Elimination of subor. debt interest to aid results. (Adv. by LA mtg. banker)

1N-COMPASS INV: \$1.44 (CMPSS-OTC) Comment: Bonds & shs. spec. on benefits of control takeover by holders Joe Akerman/John Wertin, 46½% of sh. owners, on March 30, 1979. (Sh: 3109T out; Book \$3.96) Intangibles: Loss res. \$1.04; Taxloss NA. Assets: \$39M, 70% nonearn, 58% forcl. Mix: 38% apts., 31% land, most FL & GA. Financing: \$23M debt over \$11.7M equity; 30% mtgs. & 60% converts. 8½% Bonds: Paid part of back inter.; \$16.4M convt. at \$1.35 after 12/78 adjustment, or 12,175T sh.

EPS: Dec. Mar. June Sept. Year
FY'78 3c d77c 55ca 2.99a 3.40a
FY'79 53cb

a-Incl. \$2.48 asset swap gains; EPS on primary sh.; Yr. \$2.99 diluted. b-18c sale gain.

(NON-QUAL TRUST: Was Barnett-Win.; Self-adm)

1 -CONN GEN: \$23.25 (CGM-NYSE) Comment: Buy/hold long-term for equity buildup. (Sh: 5726T, Book \$18.57 + Depr. \$1.88) Converts: Safe yield. Intangibles: Loss res. 79c. Assets: \$331M, 2% non-, 3% low-earn; 4% foreclosed; Expanding props. & partnerships, now 46%. Mix: Heavy regional shop.ctrs. \$22M partner invest. control \$130M off-balance sheet assets. Financing: \$224M debt is 2.1X \$106M equity. \$2M S/T debt; \$90M term debt mostly at 8.75%, plus \$55M mtgs; \$77M convt. EPS/CFS: June Sept. Dec. Mar. Year
FY'78 46/55c 39/52c 32/44c 33/44c 1.50/1.95
FY'79 30/50ca 29/52ca 29/54ca 31/61c 1.19/2.17

a-Asset sale gains: 19c in FY'79.

Div: Mar. Q 45c, \$1.80 ann. rate.
(Major life ins. co. adviser)

3 -CONSOL CAP RL: \$28.50 (CCPLS-OTC) Comment: For speculative income, over book; '78 div. 14% cap. gains & 86% taxfree cap. return. (Sh:

1989T, Book \$16.81 + Depr. \$8.74) Assets: \$130M, 91% properties. Mix: 82% apts. w/8,644 units; 16% shop. ctrs.; 51% TX. Financing: \$97M debt is 2.9X \$33M equity. Debt: \$95M secured mtgs., \$2.3M bank.

EPS/CFS Feb. May Aug. Nov. Year
FY'79 3/56a d7/42 d19/31c 52/1.04a 29/2.33a
FY'80 3/56b

a-Asset sale gains: 53c '79. b-Refinancing gain: 6c '80.

Div: Monthly 17.17c or \$2.06 ann rate.

(Managed by Oakland, Cal. realty group; Sponsors offering new Con. Cap. Income Trust shs.)

2 -CONT ILL PR: \$25.88 (CIE-NYSE) Comment: Bouverie Props., Inc., British Coal Bd. affil., to offer \$30/sh.; Arbitrage on offer. (Sh: 4808T, Book \$19.34 + \$4.23 Depreciation) Assets: \$273M, 0.2% nonearning; Mix: 88% property, 10% direct financing leases, 2% mtg; 34% apts., 30% shop ctrs., 24% offices. Offer: Proxy in process for Bouverie offer. Financing: \$184M debt is 2.0X \$94M equity. Debt: \$173M mtgs. & \$11M bank loans.

EPS/CFS Jan. Apr. July Oct. Year
FY'78 14/33c 10/31c 9/34b 14/36b 47/1.34b
FY'79 13/37c

b-3c asset sale gain & 4c mtg. refin. chge.

Div: \$1.36 ann. (Adv. by sub. of Cont. Ill. Bank, Chicago)

3N-CONT ILL RLTY: \$10.75 (CIR-NYSE) Comment: Tender at \$11 to Wm. Lyon Co., private Calif. homebuilder; Tender endorsed by Trustees. (Sh: 2797T, Book \$5.71) Intangibles: Loss res. \$9.53; Taxloss NR. Assets: \$112M, 63% forcl. 52% non & 24% low-earn; Mix: 40% land. Financing: \$76M debt is 4.7X \$16M equity. \$40M bank debt at 5% min. inter. to 130% prime to 11/79; Pledging assets; Sponsor buys or agrees to buy \$24M assets if trust can repay other banks by 11/79. Bonds: \$25M of 7 5/8s due 12/15/79; At 95½, speculation on fast liquidation.

EPS: June Sept. Dec. Mar. Year
FY'78 0c 1.31a 66ca d9c 1.87a
FY'79 d37c 61ca 3.44b

a-\$2.83 swap gains in '78 & 96c in '79.

b-\$2.62 loss res. credit & 70c sale gain.
(NON-QUAL TRUST: Advised by Cont. Ill. Bank, Chicago, sub.)

4N-CONTIL MTG: 55c* (CMI-OTC) Comment: Shares & bonds high risk speculation that viable entity emerges from bankruptcy; Fed. Ct. names 2 trustees to operate & restructure. (Sh: 20838T, Bk d\$6.54) Intangibles: Loss res. \$6.26; Taxloss \$7.68. Bankruptcy: Filed Ch. XI 3/8/76 & liquidation ordered but stayed by Ch. X filing 10/22/76; Ch. X operations approved 5/1/79 & Henri J. Bourneuf & Paul Lazzaro named trustees. Assets: \$561M, 90% troubled; Sold One Biscayne, Miami, for \$49M 3/79 and selling other properties. Finances: Owes \$561M over \$136M negative equity; Earnings: Audited d\$2.78 in FY'78 after \$2.40 addition to loss res.; 4c Sept. Q vs. 6c in June Q. (FY Mar.; NON-QUAL; Indepnd)

2 -DENVER RE: \$15.00 (DENVS-OTC) Comment: Buy/hold for income; Trustees est. \$30/sh. value if mkt. strong. (Sh: 1101T, Net Book \$8.22 + Depreciation E\$8.19.) Assets: \$53M. Mix by

revenues: 50% office/comcl., 22% shop. ctrs., 15% motel, 10% apts. Financing: \$43M debt is 4.7X \$9M equity. Debt: \$38M mtgs., \$4½M deb. EPS/CFS Mar. June Sept. Dec.
1978 d5/21c 20/46c 25/51c 12/39c
1979 6/32c
Div: 20c qtr.; 80c ann. rate. Selling shop. center in June qtr. for 32c/sh. gain.
(Independent management)

2N-DIVERSFD MTG INC: \$5.25 (DMG-NYSE) Comment: Buy/hold as merger or recovery spec.; Litigation dulls attractiveness; MEI Corp. bought 7.4% of sh. (Sh: 7326T, Book \$8.18) Intangibles: Loss res. \$3.78; Taxloss \$6.62. Assets: \$130M, 64% nonearn, 29% forcl. Mix: 69% secondary and 7% primary homesites, 10% raw land. Financing: \$47M debt is 0.8X \$60M equity. Debt: \$45M from Cont. Ill. Bank; \$2M converts. Interest 10% and hurts EPS.
EPS: Mar. June Sept. Dec. Year
1978 16cb d3c d2c 6c 0.17b
1979 d33c

b-25c bank refinancing gain + 9c NOL.
(NON-QUAL CORP: Self-administered)

3N-DOMINION MR: \$1.38* (DMRTS-OTC) Comment: Shs. & bonds hi-risk spec. on OK of proposed bankruptcy plan giving bond holders 71% of sh. (Sh: 639T, Bk d\$9.59) Bankruptcy: Filed Ch. XI 6/28/77. Plan approved by creditors' cmte. Intangibles: Loss res. \$2.63; Depr. \$3.51; Taxloss \$16.27. EPS: 98c in 9 mo. to Feb. (NON-QUAL TRUST; Self-administered)

1N-EASTOVER CP: \$10-11½ (EASTS-OTC) Comment: Speculation on more aggressive workout, merger deals under new mgmt. Owns 31% of Texas First, 9% of ICM & 5% Citizens Grow. (Sh: 1034T, Book \$12.70) Intangibles: Loss res. \$5.37; Taxloss \$9.26. Assets: \$22M, E63% non- & 6% low-earn; 47% forcl.; 16% REIT stocks. Mix: 54% land; Most La. & other South. Financing: \$3M debt, 79% fixed rate mtgs., is 0.2X \$13M equity.

EPS: Mar. June Sept. Dec. Year
1978 d6c 46ca 53ca 57c 1.51a
1979 26ca

a-1978: 78c Loss res. credit; 50c asset sales & 76c taxloss carryforward. 1979: 10c NOL & 5c loss res. credit.

(NON-QUAL TRUST: Jackson, MS broker Leland Speed heads new mgmt. group)

3 -EQUIT LF MTG: \$18.75 (EQ-NYSE) Comment: Hold, EPS vulnerable; 1% prime=5c/sh. qtr. (Sh: 5663T, Book \$23.39) Intangibles: Loss res. 32c. Assets: \$418M, 6% nonearn; 29% long-term mtgs., 60% short-term const. & devel. loans; Expanding ST. Mix: 27% retail, 22% lodging, 14% land. \$119M or 28.4% floats with prime. Financing: \$260M debt is 2.0X \$132M equity. Debt is \$260M short-term tied to prime & incl. \$151M comcl. paper. Bank lines \$205M.

EPS: Jan. Apr. July Oct. Year
FY'78 48c 46c 54cb 51c 1.99b
FY'79 46c 50c EL.80

b-5c sale gain.

Div.: \$2.00/yr. rate held.
(Major life company adviser)

1 -FEDERAL RLTY: \$16.25 (FRT-ASE) Comment: Buy/hold for income & growth from prop. purchases; Plans buying 6 shop. ctrs. w/1M sf from Amterre when Food Fair bankruptcy problems overcome; High operating return on property. (Sh: 1450T; Book \$9.77 + \$3.57 Depr. = \$13.34) Assets: \$39M, no nonearn; 99% props. w/cash flow: 74% shop. ctrs., 25% apts.; most Wash.DC area but diversifying. Financing: \$22.8M debt is 1.6X \$14M equity. Debt: 88% mtgs., 12% bank loans; Will borrow \$2M for Amterre deal.

EPS/CFS Mar. June Sept. Dec. Year
1978 35/39ca 29/31c 19/25c 32/42 1.14/1.37
1979 24/

a-Prop. sale gain 6c.

Div.: \$1.36 ann. rate. Part of '79 payout may be tax-free capital return. (Independent mgmt.)

1N-FIDELCO GROW: \$4.88 (FGI-ASE) Comment: Buy for recovery; Phila. insur. man Sidney Baer owns 15% & may seek control. (Sh: 1580T, Bk \$6.82) Intangibles: Loss res. \$6.39; Taxloss \$3.99. Assets: \$75M, 74% nonearn; 60% forcl. Mix: 35% land (developed & raw), 20% condos; 31% PA, 25% FL. Financing: \$58M debt is 5.7X \$10M equity. \$49M bank credit to 11/30/79 at 1% cash + earnings; Swapping. Suit: Class action settlement to add \$1.90/sh. to Aug. qtr.
EPS: Feb. May Aug. Nov. Year
FY'78 76ca 19ca 1.59a 1.11a 3.65a
FY'79 40cb

a-Swap gains + int. forgive: \$3.70.

b-Swap gain & NOL: 37c.

See 95c/sh. swap gain in May qtr.

(NON-QUAL TRUST; Will become self-admin. & end ties to Phil. bank)

2 -FIRST CONT'L: \$8.88 (FCRES-OTC) Comment: Hold for spec. income & increase in 10½% return on book. (Sh: 2106T, Book \$10.34)

Intangibles: Loss res. 40c. Assets: \$46M, 7½% nonearn, 5% foreclosed. Mix: 59% constr., 35% devel., 6% land; 87% TX. Financing: \$30M debt (all bank) is 1.4X \$22M equity. Borrows under \$33½M bank lines at ½% over prime plus compens. balances; 1% prime=½c/sh.Q. Must pledge assets equal to debt if demanded.

EPS: May Aug. Nov. Feb. Year
FY'78 22c 22c 23c 23c 0.90
FY'79 25c 26c 27c E28c E1.06

Div: Feb. Q 27c; up to \$1.08 ann. rate.
(Advised by Houston mortgage banker)

2N-FIRST DENVER MI: \$3.25 (FDENS-OTC) Comment: Recovery spec. at 36% below book. Ended talks w/ Van Schaack(& Company. (Sh: 1621T, Book \$7.42) Intangibles: Loss res. \$2.83; Taxloss \$9.25. Assets: \$49M, 14% nonearn; 2% forecl. Mix: 21% land, 14% condo-secondary home, 8% condo-primary, 19% motels. Most Colorado. Financing: \$33M (all bank) is 3.0X \$12M equity. Bank debt to 5/81 at 6½%; Assets pledged.
EPS: Dec. Mar. June Sept. Year
FY'78 2.56a 16ca d27ca 71ca 3.15a
FY'79 d10c 54ca

a-Asset swap & taxloss gains: \$2.73 '78; 27c '79.

(NON-QUAL TRUST; Adv. by Denver bank sub.)

2N-FIRST MEMPHIS: \$5.00 (FMEMS-OTC) Comment: Less attractive spec. after swaps boosted book; Morgens-Waterfall bought 6.2% sh. (Sh: 1156T,

Book \$7.32) Intangibles: Loss res. \$3.88; Taxloss \$6.02. Assets: \$21M, 54% non-, 7% low-earn; 52% forcl. Mix(11/78): 35% land, 28% offices; 38% Tenn. Financing: \$10.7M debt is 1.3X \$8½M equity. Swapped assets to retire nearly all ST bank debt in Feb. '79 Q; Now owes only \$7M secured bank term to sponsor, plus \$3.7M mtg. debt.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	70ca	18cab	55cab	1.04a	2.47ab
FY'79	1.14a				

a-Swap gain: \$1.38 FY'78; 49c '79.

b-Prop. sale gains: \$1.79 in '78.

Sold large land tract in May '79.

(NON-QUAL TRUST: Adv. by Memphis bank)

2N-FIRST MTG: \$1.75 (FMTGS-OTC) Comment: Spec. w/ hi-risk of potential dilution. Will issue 1M wts. to buy sh. @ 59c to 12/86 to settle lawsuit. (Sh: 8495T com.; Book d\$5.79 net) Bonds: For swaps. Pfd: 140T Ser. A & 450T Ser. B held by lenders. Intang: Loss res. \$1.64; Taxloss \$10.93. Assets: \$253M, 12% non-, 50% low-earn; 55% forcl. Mix: 35% lodgings, 27% apts. Finances: \$236M debt over \$59M liquidating value pfd. & \$49M neg. common; \$192M bank credit @ 2%; must sell most prop. & repay \$85M by 7/1, \$65M by 7/80. In return banks wld forgive \$48M principal, convert Ser. A pfd. into 1933T com. & get 2335T wts. exer. @ \$1 plus 50% of hotel/land sale gains next 5 yrs. Backup financing pending: Amer. Finc'l wld. lend \$38M secured by assets & buy \$12M pfd. w/11% div. convt. into 12M sh. or about 36% to 53% of stock. EPS: Jan. Q 1c; FY 22c after 14c extra. gains. (FY Jan.; NON-QUAL TRUST: Independent mgmt.)

#2N-FIRST NEWPORT: \$3.00 (FNRIS-OTC) Comment: Long recovery, making progress. Seeks acquisitions. (Sh: 2339T, Book \$3.41) Convts: Hold. Intangibles: Loss res. \$10.00; Taxloss \$25.22 (abt half conditional). Assets: \$97M, 42% non, 7% low-earn; 49% forcl. Mix: 30% condos, 21% lodgings. Financing: \$69M debt is 8.6X \$8M equity. \$54M bank credit repayable by 10/82 at 5% interest in FY'79.

EPS:	Jan.	Apr.	July	Oct.	Year
FY'78	d38c	d43c	14c	d36c	d1.03
FY'79	34ca				

a-Incl. 31c sale gain & 17c taxloss.

See 43c/sh. sale gain in Apr. qtr.

(Converting to NON-QUAL CORP: Independent)

3N-FIRST PENN MI: \$2.38 (FPM-NYSE) Comment: Trading spec.; Asset swap gains offset by high interest. (Sh: 2961T, Book p\$1.35) Intangibles: Loss res. \$6.75; Taxloss \$9.94. Assets: \$99M, 75% nonearn, 63% foreclosed. Mix: 17% condo; 18% land; 41% comcl/indus. Financing: \$71M debt is 14.6X \$5M equity. \$58M bank debt to 11/79 accruing at prime w/ interest forgiveness; New swaps being nego. EPS: Oct. Jan. Apr. July Year
FY'78 d1.44 d2ca d64ca 24c d2.08a
FY'79 1.17b d87cb d30c

a-Incl. asset swap gains \$1.43

b-Incl. asset swap gains \$2.39 to date.

(NON-QUAL TRUST; Advised by sub. of First Penn. Bank, Philadelphia)

1 -FIRST UNION: \$15.25 (FUR-NYSE) Comment: Shs.

& bonds: Buy for quality income; Buying new off. & shop. ctrs. (Sh: 4464T com., Net Book \$8.63 + Depr. \$8.17=\$16.80) Assets: \$201M, 96% prop; 2% mtg. Prop: 54% offices, 37% shop. ctr. Financing: \$155M debt is 3.2X \$48½M total net equity (\$10M pfd., \$38½M common). Debt is: 76% secured mtgs., 17% short-term, 8% cvt. EPS/CFS Mar. June Sept. Dec. Year
FY'78 21/29ca 23/30ca 45/52ca 21/31 \$1.10/1.42*
1979 20/48c

a-Prop. sale gains: 30c

* Oct. yr; changing to Dec. year.

Div: \$1.08 ann. rate. (Independent Cleveland mgmt.)

3N-FIRST VIRGINIA: \$3.75* (FVM-OTC) Comment: Shs. & Bonds: Hold for modest recovery. (Sh: 1208T; Book \$7.44) Intangibles: Loss res. \$7.01; Taxloss \$10.51. Assets: \$57½M, 34% non, 1% low-earn; 32% foreclosed. Mix: 28% land; 37% Va., 34% Fla. Financing: \$42M debt is 4.7X \$9.0M equity. \$22M bank credit to 12/79 accruing at 4%. \$20M sub. debt due 11/1/80. EPS: Sept. Dec. Mar. June Year
FY'78 6c 2.85a 22c 41c 3.54a
FY'79 47cb 26cb 29cb

a-Incl. \$1.52 taxloss + \$2.90 fidelity bond

b-23c asset sales & 52c taxloss to date.

(NON-QUAL TR; Independent mgmt. tied to bank)

3N-FIRST WISC MTG: \$4.88 (FWMTS-OTC) Comment: For long recovery, some dilution. Lowell McNeill owns 6.1% of sh. (Sh: 1988T, Book \$5.41) Intangibles: Loss res. \$7.40; Taxloss \$19.24. Assets: \$95M, 33% non-, 54% low-earning; 60% forecl. Mix: 48% apts., 29% land, 25% Midwest. Financing: \$71M debt is 6.6X \$11M equity. \$49M bank debt at 1% or net income to 6/80; Banks provided \$14M secured standing loans on props.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	0c	0c	d20c	4c	d16ca

a-Incl. 71c gain on sale.

(NON-QUAL TR: Adv. by Milwaukee bank sub.)

2 -FLATLEY: \$5.25 Unit (FLTLS-OTC) Comment: Buy for recovery. (Sh: 1000T, Net Bk \$7.07 + Depr. \$2.48=\$9.55) Intangibles: Taxloss 27c. Assets: \$24M, Mix: 40% apts, 52% shop. ctrs.; 92% Mass. Bought 115T sf N.H. shop. ctr. 9/78. 94% prop., 6% loans. Financing: \$18M debt is 2.5X \$7M equity; 82% mtgs.

EPS/CFS	Sept.	Dec.	Mar.	June	Year
FY'78	3/8c	11/16ca	d3/2c	12/17c	23/43ca
FY'79	10/15c	10/16c	4/10c		E40c/

a-Incl. 8c sale gains.

Div: Resumed w/20c from FY'78. (Self-Adm.)

1 -FLA GULF: \$13.00 (FGLFS-OTC) Comment: Buy for yield & benefits of renting vacated stores; EPS flat near term. (Sh: 997T, Net Book \$14.26 + Depr. \$5.81 = \$20.07. Assets: \$32M. Mix: Over 93% strip shop. ctrs. w/2.0M sf; 92% FL. Neisner Bros. & Food Fair disaffirmed leases for abt. 166T sf or abt. 8% of space; Some re-leased. Financing: \$18M debt is 1.3X \$14M equity; \$18M mtgs. on prop.

EPS/CFS	July	Oct.	Jan.	Apr.	Year
FY'78	15/34c	17/36c	20/38c	14/33c	66c/1.39
FY'79	20/37ca	16/35c	16/35c		E65c/1.40

a- Incl. 2c prop. sale gain.

Div: 32¢/Q, 51% tax-free capital return.
(Adv. by sub. of Loeb Rhoads)

2N-FRANKLIN: \$8.25 (FR-ASE) Comment: Hold for earnings improvement, expanding real estate services. (Sh: 999T, Book \$8.19) Converts: Hold. Intangibles: Depr. \$11.51; Taxloss \$1.74. Assets: \$30M. Mix: 83% prop. owned, 17% joint vent. Prop. incl. JV: 11 offices midwest & FL, 11 apts., 2 motels, 1 strip shop.ctr, 1 leased land tract. Vacancies falling. Financing: \$24M debt is 2.9X \$8M equity. Debt is: 74% secured, 5% short, 22% convt. EPS:

	Sept.	Dec.	Mar.	June	Year
FY'78	1¢	24¢	14¢	9¢	48¢
FY'79	1¢	20¢	5¢		

a-Incl. 20¢ sale gains & 19¢ taxloss in '78 and 3¢ & 10¢ respectively in '79.

(NON-QUAL: Mgmt. by independ. Phil. rltg gp)

3 -FRASER: \$11.00 (FRASS-OTC) Comment: EPS vulnerable but hold for recovery; Block of 16% held by broker Jeff Schultz. (Sh: 1038T, Book \$16.61) Intangibles: Loss Res. 56¢. Assets: \$48M, 7% nonearn; 6% forecl. Mix: 37% LT; 31% Ohio, 25% FL. Making new investmnts. Financing: \$35M debt is 2.0X \$17M equity. \$26M bank; \$9M fixed rate. 1% prime= 4¢/sh. qtr.

EPS:

	Aug.	Nov.	Feb.	May	Year
FY'78	25¢	25¢	26¢	50¢	1.26a
FY'79	27¢	27¢	27¢		EL.10

a-Incl. sale gain: 43¢ '78; 9¢ '79.

Div: 28¢, paying sale gains; \$1.12 ann. rate.
(Adv. by Cleveland mtg. banker)

3 -GEN GROWTH: \$34.38 (GGP-NYSE) Comment: Bucksbaum family, now 15% owners, may tender for all sh. at over orig. \$30, topping \$35/sh. offer by Canadian Pacific sub. (Sh: 6202T, Bk \$6.01+ Depr. \$4.56=\$10.57). Assets: \$361M, no problems; high quality. Mix: 78% shop. ctrs. (major Midwestern malls), 13% apts. Financing: \$332M debt is 8.9X \$37M equity. Debt is 89% secured mtgs. & \$25M 9-1/8% secured notes to 4/97. Earnings: Dec. Q EPS 38¢ after 3¢ gain & CFS 50¢ after 3¢ gain. Div: 39¢ Q, about 60% taxfree. (FY Sept.)

1N-GMR PROP: \$2.88 (GMR-NYSE) Comment: Recovery speculation & merger/acquisition candidate. (Sh: 2956T, Book \$2.41) Bonds: Hold 7.7% debts. maturing 2/1/80 and new 8½% debts. (\$15.3M out) due Dec. 1987. Intangibles: Loss res. \$4.45. Taxloss \$9.22 thru FY'78. Assets: \$70M, 22% non- & 28% lowearn; 47% forcl., 34% LT mtgs. Mix: 27½% land; 79% Southeast. Financing: \$46½M debt is 6.5X net \$8M equity; \$24M bank term debt to 7/17/83 accruing at 6½% to 7/79, higher after. EPS:

	May	Aug.	Nov.	Feb.	Year
FY'78	d48¢	d18¢	d18¢	50¢	d34¢
FY'79	d12¢	d0¢	d14¢	d20¢	d47¢

a-Asset swap gains: 90¢ '78; 42¢ '79 + 33¢ tender expense '79.

(NON-QUAL TRUST, Adv. by life insur. co.)

2 -GOULD INV: \$12.00 (GTR-ASE) Comment: Spec. income. (Sh: 1170T (Mgmt. owns 39%), Book \$7.61+ \$10.62 Depr.= \$18.23) Intang: Loss Res. 31¢. Assets: \$38M, 2% nonearn; 88% prop. owned. Mix: 19% NYC office, 6 apts, 15 strip

ctrs. Financing: \$31M debt is 3.4X \$9M equity. 93% secured mtgs.

EPS/CFS:

	Dec.	Mar.	June	Sept.	Year
FY'78	37/47a	15/26	18/30	33/33	1.03/1.36a
FY'79	50/56a	29/34			

a-Incl. prop. sale gains: 18¢ in FY'78, 22¢ in FY'79.

Div: 22¢ Q; 88¢ ann. rate.

(Managed by NY realty family)

1 -GREIT: \$9.38 (GRT-ASE) Comment: Hold for new mgmt. & re-leasing over several yrs. of vacant Dayton office space. Shares 18% below book. Unicorp Fin. (Can.) owns 18% sh. & Geo. Mann joined bd. (Sh: 998T, Bk \$11.40) Intangibles: Depr. \$14.75; Loss res. 8¢. Assets: \$33M, several vacancies. Mix: 55% shop ctrs., 34% offices & urban stores, 3% mtgs. Financing: \$23M debt (all mtgs.) is 2.0X \$11.4M equity. EPS:

	Jan.	Apr.	July	Oct.	Year
FY'78	14¢	10¢	14¢	12¢	50¢
FY'79	17¢				

a-Incl. 1¢ sale gain '79.

Div: 10¢ Q, 40¢ ann. (Independent Phil. mgt)

1N-GRT AMER M&I: \$3.50 (GAA-OTC) Comment: Sophisticated high-leverage play on Sunbelt realty after Ch. XI plan effectuated Apr. 6. All data pro forma: (Sh: 7372T after 1-for-4 reverse split; Book \$6.31 after \$10.18 debt discount). Intangibles: Loss res. \$4.63; Taxloss \$9.63. Assets: Est. \$251M assets at mkt. value incl. 40% core props. retained; 45% props. for sale; 15% mtgs. Financing: \$210M face amt. of debt incl. \$185M bank debt @ 3% to 8/87; \$15M 3% sr. subor. debts. due 8/90; & \$10.3M of 1.1-3% jr. sub. debts. due 8/91. Debt is discounted by \$75M to produce \$46½M pro forma net worth. Earnings: EPS loss expected at first as debt discount worked off; positive cash flow seen. (FY July; Self-adm.; NON-QUAL CORP)

2N-GROWTH RL COS: \$5.25 (GRW-NYSE) Comment: Improved spec.; Pfd. stock auth. for acquisitions & plans nat'l rltg. & mtg. brokerage; Claims \$5.35/sh. unrealized appreciation. (Sh: 2059T, Book p\$6.80) Bonds: Risky yld. Intangibles: Loss Res. \$3.42; Taxloss \$10.93. Assets: \$99M, 37% non- & 12% lowearn; 46% forcl. Mix: 41% apts., 20% shop. ctrs; 42% TX. Financing: \$77M debt is 5.1X \$15M equity; \$51M bank debt to 12/81 w/int. accrued to 9% max.; Two major lawsuits settled.

EPS:

	Sept.	Dec.	Mar.	June	Year
FY'78	d65¢	3.77a	d22¢	1.15a	4.03a
FY'79	d39¢	d25¢	d62¢		

a-\$4.01 interest forgiven in FY'78.

(NON-QUAL. CORP.; Self-adm.)

3N-GUARDIAN: \$1.25 (GMI-PHSE) Comment: Spec. on reorgan. in Ch. XI filed 3/78. SEC seeks Ch. X. (Sh: 3000T, Book d\$12.59). Bonds: Hold. Intangibles: Loss res. \$7.63; Taxloss \$32.67. Proposal: Repay \$204M bank debt w/o inter. thru 1990 & sh. for 3/8 of equity; Subor. debt: 7½% \$260 cash + 254 sh; 6 3/4s & 8s, \$210 cash + 188 sh. (wld give sub. debt 3/8 of equity). One bondholder group opposes. Court ruled plan feasible 5/24 & creditor approval to be sought at earliest date. Assets:

\$181M, E59% non-& lowearn; E39% forcl. Mix: 34% land owned & in develop, 29% income-prod. prop. Financing: \$238M debt over \$38M neg. equity. Debt: \$204M bank, \$34M debentures. Earnings: Feb. FY \$2.04 after 98¢ tax benefits. (FY Feb.; NON-QUAL TR; Self-adm.)

2N-HAMILTON: \$3.88 (HAMTS-OTC) Comment: Recovery spec. at 29% below book (Sh: 2178T, Book \$5.47) Intangibles: Loss Res. \$6.09; Taxloss \$3.26. Assets: \$68M, 24% non-& 64% low-earn; 24% forcl. Mix: 48% apts., 14% office, 15% land, 35% OK, 19% FL. Financing: \$38M debt is 3.3X \$11.3M equity; \$38M bank credit to 6/81 at prime or 10%; pay 2% cash.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	d8¢	d8¢	40¢b	d14¢	10¢b
1979	29¢a				

a-28¢ sale gain & 29¢ int. recovered '79.

b-Swap gains 82¢ & 11¢ sale gain in '78. (NON-QUAL TRUST: Self-adm.)

2N-HANOVER SQ: \$7.00 (HSQ-ASE) Comment: Buy/hold; Trustees considering sale, merger or liquidation; Major holders: W.R. Grace 13%; Brent Baird 10%. (Sh: 946T, Book \$11.20) Converts: Spec. income buy. Intangibles: Loss Res. \$1.78; Depr. 36¢; Taxloss \$6.03 as of 8/77. Assets: \$31M, 10% non-& 21% low-earn; 24% forcl. Mix: 64% resid., 15% shop. ctrs.; to sell mtgs. & repay banks. Financing: \$18M debt is 1.7X \$10.6M equity; \$13.6.8M bank credit at 124% prime to 10/3/79.

EPS:	Nov.	Feb.	May	Aug.	Year
FY'78	31¢a	d2¢b	12¢ab	5¢	46¢ab
FY'79	d3¢	d7¢			

a-Incl. 38¢ asset sale gains, w/37¢ in Nov.'77. b-Incl. 33¢ gain debent. repur. (Adv. by W.R. Grace sub., now being sold.)

4N-HEITMAN MTG: \$2.25 (HTM-ASE) Comment: Sell or hold for LT recovery. (Sh: 3292T, Bk p\$1.60) Converts: Higher risk hold. Intangibles: Loss Res. \$4.84; Taxloss E\$4.50. Assets: \$105M, 46% non-& 20% low-earn; 19% forcl. Mix: 32% shop. ctrs., 13% hotels, 19% offices, 21% land; 25% Ill, 17% CA, 22% other West. Financing: \$86M debt is 15.8X \$5.4M equity; \$48M bank debt to 4/79 at prime, \$20M subor. to 6/79 at 1/4% over prime, renego. both. Rates pinch EPS.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	1¢	d28¢	d27¢	d36¢	d91¢a
1979	d4¢b				

a-Incl. 5¢ sale gain. b-8¢ swap gain. (Adv. by Chicago mtg. group)

1 -HOSPITAL MTG: \$10.88 (HMG-ASE) Comment: Buy; Lower bank debt limits inter. risk. Some recovery at 53% below book. (Sh: 1178T, (Transco Realty owns 18% of shares), Book \$22.42+ E70¢ Depr.= \$23.12) Intang: Loss Res. 17¢. Assets: \$35M, 34% nonearn; 1% forcl. Mix: 34% medical, 31% land, 18% apts; 2/3 FL. Swapped 2 partic. for 133 ac. Houston. Financing: \$11M debt is 0.4X \$26½M equity; Paid banks down to \$6M term loan at 1-1/4% over prime 1/3/79.

EPS/CFS	May	Aug.	Nov.	Feb.	Year
FY'78	11/14	15/18	13/19	10/16	49/67¢
FY'79	10/16	7/15	10/18	7/15	35/64¢

Div: 60¢ ann. rate.

(Adv. by Miami hosp. mgmt. co.)

1 -HOTEL INV: \$19.38 (HOT-ASE) Comment: Sh. & Bonds: Buy; Seeks new props; Cut rates 1/79 on 2 mtgs., costing 2½¢/sh. Qtr. (Sh: 1568T, Book \$16.91+ Depr. \$2.33=\$19.24) Intang: Loss Res. 20¢. Assets: \$77M, 4% nonearn & forcl. + 6% lowearn; 50% prop., 46% LT mtgs. All hotel/motel, most nat'l franch.; 2 Tucson under sale option. Financing: \$53M debt 2.0X \$26½M equity; Debt is \$14M secured mtgs., \$15M secured @ 9 3/4% for 15 yrs., \$16M converts., \$6M bank at prime. Dallas Marriott boosting EPS. EPS/CFS Nov. Feb. May Aug. Year
FY'78 40/53 34/50 37/50 29/43 1.40/1.96
FY'79 43/58 45/59
Div: Feb. 50¢, up 11%, \$2.00/yr. (Self-adm.)

2 -HUBBARD: \$18.63 (HRE-NYSE) Comment: Buy for modest dividend increase prospects. (Sh: 4004T, Book \$24.81) Intangibles: Loss res. 27¢; Depr. \$0.39. Assets: \$93M, E2½% nonearn. All Grant vacancies re-leased. Most property net leased to major lessees: 20% Safeway (retail), 17% Ashland Oil, 17% Chrysler (both indust.). Financing: \$2½M mtg. debt is 0.03X \$99M equity.

EPS:	Jan.	Apr.	July	Oct.	Year
FY'78r	43¢	45¢	47¢	47¢	1.82
FY'79	43¢	45¢			

r-Restated for direct financing lease acctg. Div: 41¢ for Apr. Qtr., up 3%. (Advised by Merrill Lynch sub.)

2 -ICM RLTY: \$10.13 (ICM-ASE) Comment: Hold LT recovery; To cut debt & lower EPS vulnerability. Eastover Corp. owns 9% & L. Speed appointed trustee. (Sh: 3011T, Book \$14.92) Intangibles: Loss Res. \$4.64; Depr. 8¢. Assets: \$77M, 46% non-& lowearn; 23% forcl. Mix: 35% apts., 6% shop. ctrs., 8% land; 47% land/leasebacks. Financing: \$19M debt is 0.4X \$45M equity; Debt is 29% secured mtgs., \$11M bank debt under new 3-yr. to 2/82 at either 120% prime or 1½% over prime. 1% prime=1¢/sh. Q
EPS: Feb. May Aug. Nov. Year
FY'78 15¢b 28¢b 24¢ 13¢ 80¢b
FY'79 17¢

b-Incl. 16¢ prop. sales.

Div: Paying annually from taxable income. Paid 50.3¢ in 2/79 from FY'78 income. (Advised by NYC realty group)

3N-IDS RLTY: \$2.50* (IDR-OTC) Comment: Merger/acqui.spec.; Hired invest. banker to explore strategies. Sponsor IDS holds wt. for 50% of sh. @ \$2. (Sh: 2409T, Book p\$4.24) Bonds: Hold. Bought \$84M at 80% of par. Intangibles: Loss Res. \$6.23; Taxloss \$16.84 before recent gain. Assets: p\$120M, p40% nonearn; 42% forcl.; 24% land, 41% LT loans. Finance: p\$99M sub. debt 9.7X p\$10M equity; \$86M sub. debt at 3/79. Earnings: Jan. Q 54¢ after 56¢ extra. gains; FY \$13.74 incl. \$12.19 extraordinary gains. (FY Jan.; NON-QUAL TRUST, To become Corp.)

5N-INDEPEND MTG: \$2.13* (IMTG-OTC) Comment: Spec. on swaps, merger. (Sh: 2500T, Bk d\$3.87) Intang: Loss Res. \$9.72; Taxloss \$18.40. Assets: \$104M, 86% non-& low-earn; 72% forcl. Mix: 23% condos, 26% devel; 16% FL. Financing: \$87M debt over \$9½M negative equity; Debt is \$68M bank term to 6/1/79,

\$10M sub.; \$9M mtgs. Seeks restructuring via swaps for all bank debt. Earnings: Dec. Q d7c after 5c sale gain, 11c swap gain & 18c loss prov. (FY June, NON-QUAL TRUST: Adv. by Phil. bank)

1N-INDIANA MTG: \$5.75 (INDMS-OTC) Comment: Hold for improvement; Debt repayment may aid EPS. (Sh: 1154T, Book \$9.20) Intangibles: Depr. Loss Res. \$2.22; Taxloss \$6.50. Assets: \$37M, 37% non-& lowearn; 19% forcl. Mtgs. 63% (most land & comcl.) Prop. 16%. Sold apts. & offices in Mar. Q. Financing: \$24M debt is 2.3X \$11M equity; \$24M bank credit to 10/79: \$18M at 8½% & \$6M at 8% min., 10% max. New name: Indiana Financial Investors, Inc.

EPS:	Sept.	Dec.	Mar.	June	Year
FY'78	+0ca	d2ca	1ca	37ca	36ca
FY'79	9ca	d9ca	41cb		

a-Loss res. credits: 72c FY'78; 12c FY'79.
b-Sale gain: 62c FY'79.
(Advised by Indiana bank; To become Corp.)

2N-INSTITUTIONAL IN: \$1.88 (INV-NYSE) Comment: Hold; Faces liquidity pressure. (Sh: 6798T, Bk \$1.74) Bonds: Must repay \$4.4M of old 7 7/8s maturing 2/80; are hi risk. \$15.2M of new 8½% 1st Priority sub. notes due '87. Intangibles: Loss Res. \$1.25; Depr. 14c; Taxloss \$6.15. Assets: \$79M, 86% nonearn; 62% forcl. Mix: 15% apts., 49% land; 20% FL. Finances: \$58M debt is 4.9X \$12M equity; \$28½M bank credit to 1/82; \$6M due 7/19/79.

EPS:	Apr.	July	Oct.	Jan.	Year
FY'77	d36c	d41ca	d29ca	d1.41a	d2.47a
FY'79	d35cb	33cb	d10c	d0.83	d0.95b

a-36c sales gain & 31c swap gain.
b-39c gain debt extinguishment.
(NON-QUAL TRUST: Self-adm.)

2 -INVESTORS RL: \$8.25 (IRT-ASE) Comment: Interesting long-term holding for merger benefits. Exchanging 850,532 sh. for Summit Props. & become IRT Prop. Co.; all data pro forma. (Sh: 2330T, Book \$9.98+Depr. \$1.99) Intang: Loss Res. 34c. Assets: \$70M, 2% nonearn. Mix: 18% mtgs., 81% props., most shop. ctrs. & apts. Financing: \$46M debt is 2.9X \$23M equity; Debt is 88% mtgs. Earnings for Investors RL:

EPS/CFS	Feb.	May	Aug.	Nov.	Year
FY'78	8/19	30/37	12/19	16/22a	65/97ca
FY'79	18/25				

a-Prop. sales gain 9c in '78.
Div: Paying 60c/yr. (QUAL REIT; Self-adm.)

2 -JMB RLTY: \$18.00 (JMBRS-OTC) Comment: Buy/hold for spec. yield. (Sh: 510T, Book \$19.67) Intangibles: Depr. \$1.54. Assets: \$33M, no nonearn. Mix: 49% apts., 17% offices, 17% shop ctrs.; 69% wraparound mtgs., 10% land leasebacks. Financing: \$23M debt is 2.3X \$10M equity; \$20M mtgs., \$3M bank debt.

EPS:	Nov.	Feb.	May	Aug.	Year
FY'78	46c	46c	77ca	61c	2.30a
FY'79	47c	51c			

a-Incl. 13c prop. sale gain.
Div: \$2.00/yr. rate. (Adv. by Chicago rltty gp)

2N-KENTUCKY PROP: \$2.63 (KMTGS-OTC) Comment: Sales may boost book val.; broker Brent Baird controls 19½% shs. (Sh: 1100T, Book \$3.01)

Intang: Loss Res. \$1.45; Taxloss \$7.39. Assets: \$13M, 85% non&lowearn; 80% forcl. Mix: 45% apts., 39% land & devel.; 41% Kentucky. Financing: \$8M debt is 2.4X \$3M equity; \$8M secured bank debt to 5/80 at 8%, 4% cash, rest deferred. Selling some apts. to repay.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	d6c	1.05a	d6c	37ca	1.30a
FY'79	3c				

a-98c asset swap gain.
(NON-QUAL TRUST: Self-adm.)

5N-LIFETIME COM: \$1.13 (LFTMS-OTC) Comment: High risk. (Sh: 6632T, Book \$2.87) Intangibles: Loss Res. \$7.48; Taxloss \$10.43. Assets: \$133M, 74% non&lowearn; 58% forcl. Settlement: Co. working off assets under 1/78 Ch. XI plan to repay banks by 1983. Banks got 47% of stock in plan. Financing: \$70M debt is 3.7X \$19M equity. Bank debt \$66½M without interest. Earnings: Jan. Q 8c after 4c tax benefit & 2c gain. (FY Oct.; Corporation)

2N-LINCOLN: \$2.50 (LNMGS-OTC) Comment: Shs. & Bonds: Spec. that new mgmt. can rebuild book value via development. (Sh: 1155T, Book \$1.17) Intangibles: Loss Res. \$2.31; Depr. NA; Taxloss \$3.56. Assets: \$12M, E61% non-& low-earn & foreclosed. Mix: 70% apts. Financing: \$12M debt is 8.6X \$1.4M equity. Earnings: Dec. Q 31c after 75c sale gain & taxloss. (FY Mar.; NON-QUAL TRUST: Self-adm.; Five large holders elected trustees in Oct. '78 + replaced old mgmt.)

2 -LOMAS & NET MTG: \$19.00 (LOM-NYSE) Comment: Buy/hold, shares depressed 32% below book by rate fear but exposure to 1% prime chng.= 2c/sh. qtr. (Sh: 3700T, Book \$27.86) Intangibles: Loss Res. \$2.37. Assets: \$301M, 13% nonearn; 16% forcl. Making new loans. Mix: 51% const. loans, 21% land acq. & devel.; most Texas. Financing: \$199M debt is 1.9X 103M equity; Debt is \$120M comcl. paper, \$30M ST bank loan, \$50M long-term. All debt floats.

EPS:	Sept.	Dec.	Mar.	June	Year
FY'78	40c	42c	43c	45c	1.70
FY'79	48c	49c	51c		E2.00

Div: Mar. 51c qtr.; 36% cap. ret. in '78.
(Advised by largest U.S. mtg. banker)

2 -M&T MTG: \$11.88 (MTMIS-OTC) Comment: Buy for stable yield, good relative value. (Sh: 1482T, Book \$10.43) Intangibles: Loss Res. 77c. Assets: \$54M, 0.6% nonearn; 0.4% forcl. All mtgs. in TX, most 1-family constr. & devel.; \$14M unfunded commitments at 2/79. Financing: \$38M debt is 2.4X \$15M equity; All bank debt secured; sponsor provides compensating balances; \$43M bank lines.

EPS	Nov.	Feb.	May	Aug.	Year
FY'78	28c	26c	28c	31c	1.13
FY'79	32c	44c			E1.10-.12

Div: Increased to \$1.40/yr. rate in March.
(Advised by Houston Mtg. Banker)

1N-MARYLAND RL: \$4.00 (MDRTS-OTC) Comment: Recovery spec.; Plans to become equity trust; Federated Reinsur., sub. of Federated Devel., owns 22.4%. (Sh: 760T, Book \$8.50) Intang: Loss Res. \$2.68; Taxloss \$4.73. Assets: \$18M,

31% non- & 8% lowearn; 39% foreclosed. Mix: Most Ga. & Fla; 35% apts., 31% land. Financing: \$9.7M bank debt is 1.5X \$6.5M equity. Assets pledged. Earnings: Feb. Q d7c after 3c sale gain. (FY Nov.; NON-QUAL TRUST; Self-adm.)

1 -MASSMUT M&R: \$12.75 (MML-NYSE) Comment: Buy/hold at 35% below book. Div. appears safe near term. (Sh: 4670T, Book \$19.69) Converts: Safe yield. Intangibles: Loss Res. 13c. Assets: \$186M, 4% non- & 6% low-earn; 1/2% forc. Mix: 37% shop. ctr. & retail, 33% apts.; 80% LT mtgs. Making new loans. Financing: \$96M debt is 1.1X \$92M equity. Small int. rate exposure. \$67M converts.

EPS:	Jan.	Apr.	July	Oct.	Year
FY'78	36c	38c	37c	36c	1.47a
FY'79	36ca				

a-Incl. debent. repurchase gains: 11c '78; 5c '79.

Div: \$1.36/yr. rate. (Major life co. adv.)

5N-METROPLEX: 56c* (JMI-OTC) Comment: Bonds & Shares: Avoid. Filed Ch. XI 12/77 and voting on plan giving bondholders 90% of co. (Sh: 1184T, Book 85c as going concern). Intangibles: Loss Res. \$5.41; Taxloss \$17.59. Assets: \$20M, 99% nonearn; 72% forc. Most land & lots. Financing: \$12M debt is 11.7X \$1.01M equity as going concern; d\$4M on liquidation basis. Debt is \$1M bank & \$9.6M sub. debts. Earnings: Dec. Q d23c. (FY Sept.; NON-QUAL TRUST)

#2N-MIDLAND MTG: \$2.63 (MMT-NYSE) Comment: Speculation on merger or acquisition. Okla. broker P. Hoffman holds 17% of shs. (Sh: 2382T, Book pl6c) Bonds: \$14.6M of 8% debts. due 3/1/80 & seeking ways to pay. Intangibles: Loss Res. \$2.02; Taxloss \$9.26. Assets: \$23M, 67% non- & lowearn; 45% forc. Mix: 24% motel, 19% condo, 46% land. Financing: \$19M debt is 48X \$0.4 net equity. Debt: 23% converts; 77% subor. debent. EPS:

	Sept.	Dec.	Mar.	June	Year
FY'78	d4c	d9c	d18c	18c	d14ca
FY'79	5c	6cb	d16cb		

a-Incl. \$2.98 asset swap gains. b-16c debt repurch. & 23c sale gain.

(NON-QUAL TRUST: Became Self-adm. 3/79)

2- MILLER(HEN.S): \$16.00 (HSTMS-OTC) Comment: Buy for LT recovery; Jackson group owns 11%. (Sh: 560T, Book \$19.08) Intang: Loss Res. \$1.49; Depr. \$3.09. Assets: \$23M, 8% non-earn & foreclosed. Mix: 60% shop. ctrs. owned, 18 1/2% land; mostly Texas. Sold 2 offices, Kansas shop. ctr. & Tx. warehouse. Financing: \$13M debt is 1.2X \$10.7M equity. \$3M bank borrowings at 1/2% over prime; \$9.9M mtgs. on prop.

EPS:	May	Aug.	Nov.	Feb.	Year
FY'78	16c	15c	4c	17c	52c
FY'79	30c	2.34a	29c	31c	3.25a

a-Incl. \$2.13 prop. sale & insur. gains.

Div: \$1.12/yr. rate; + 52c special in Apr. (Dallas realty group adviser)

3N-MISSION: \$7.13 (MIT-ASE) Comment: Higher risk after recent price runup; Large asset may be sold; Plans equity investments. Intermark, Inc. hold 9.8%. (Sh: 1812T, Book

\$4.92) Intang: Loss Res. \$1.72; Taxloss \$5.75. Assets: \$20M, 28% non- & 30% low-earn; 58% forc. Mix: 37% land & devel., 45% resid., 17% comcl. Financing: \$7.5M debt is 0.8X \$8.9M equity. \$7M bank debt at max. 8 1/2% to 11/79; Assets pledged.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	15ca	5ca	d1c	1c	0.20a
FY'79	5cb				

a-Incl. 12c asset sale gains, 17c interest recovery. b-Incl. 9c loss res. recovery '79.

(CAN END REIT; Self-administered)

2 -MONY MTG: \$8.00 (MYM-NYSE) Comment: Hold; Buy if div. is cut. (Sh: 8952T, Book \$9.72) Converts: Safe yield. Intangibles: Loss Res. 11c; Depr. 24c. Assets: \$222M, 8% non- & low-earn; 5% forc. Mix: 22% office, 31% multi-fam., 25% shop. ctrs.; 41% ST mtgs., 40% LT mtgs. Making new ST commitments. Financing: \$142M debt is 1.6X \$87M equity. \$93M ST debt, incl. \$70M comcl. paper. Plans selling 3 props.

EPS:	Aug.	Nov.	Feb.	May	Year
FY'78	16c	16c	16c	38ca	86ca
FY'79	17c	17c	18c		

a-Incl. 26c borrower restructure gain.

Div: 92c ann. rate but under "constant consideration". (Major life co. adviser)

#1N-MORAGA CORP: \$5.13 (MORA-OTC) Comment: Good spec. on acquisitions; Borrowed from life co. to repay banks & boost book value. (Sh: 1355T; Bk \$7.88). Converts: Spec. yield. Intangibles: Loss res. \$4.01; Taxloss \$14.76. Assets: \$41M, 13% non- & 62% lowearn; 62% forc.; Mix: 20% land, 19% apts. Financing: \$25 1/2M debt is 2.4X \$10.7M equity; Borrowed \$10.3M from New England Mut. on secured basis & repaid banks.

EPS:	Oct.	Jan.	Apr.	July	Year
FY'78	d6c	25c	22c	2c	43ca
FY'79	d20c	6.46a	97ca		

a-Incl. swap gains, taxloss benefits & interest forgiveness: 69c '78; 7.32 '79.

(NON-QUAL CORP; Self-administered)

1 -MTG GROWTH: \$8.13 (MTG-ASE) Comment: Spec. buy/hold for LT recovery and 9.3% yield. (Sh: 2640T, Book \$10.59+Depr. 1.19=\$11.78) Intang: Loss Res. 30c. Assets: \$47M, 10% non-earn; 4% held for sale. Mix: 61% apts., 26% offices; 34% Cal. Financing: \$20.3M debt is 0.7X \$28M equity; Debt: \$6.8M converts, \$0.1M banks, \$13 1/2M mtgs.

EPS/GCF	Feb.	May	Aug.	Nov.	Year
FY'78	10/18	12/20	13/21	14/22	49/81c
FY'79	16/22				

Div: Mar. 20c, 80c/ann. (Independent adv.)

3N-MTG INV WASH: \$2.13 (MINVS-OTC) Comment: Trading, recovery potential. (Sh: 2146T, Book \$4.10) Bonds: Risky yield. Intangibles: Loss Res. \$1.65; Taxloss \$3.68. Assets: \$48M, 38% non- & 12% low-earn; 44% forecl. Mix: 21% apts., 15% shop. ctr.; 15% mobile home. Financing: \$36M debt is 4.1X \$8.8M equity. \$10M sr. bank at 11 1/2% of 1/2% over prime, to 12/15/79

EPS:	June	Sept.	Dec.	Mar.	Year
FY'78	11ca	d15c	d1.14	d54c	d1.72a
FY'79	25cb	d22c	d4c		

a-Incl. 14c sale gains; b-38c sale gains. (NON-QUAL TRUST; Self-adm. 1/79)

1N-MTG TR AM: \$8.25 (MT-NYSE) Comment: Buy/hold at 39% below book. Deciding soon whether resume div. or use EPS to rebuild book. May joint vent. develop.; Bought 6.4% of Prudent. (Sh: 3860T, Book \$13.54) Intangibles: Loss res. \$1.62; Tax-loss \$2.07. Assets: \$61M, 47% nonearn; 35% forcl. Mix: 43% land & devel., 18% hotels, 18% apts.; Financing: \$4M debt (all mtgs.) is 0.07X \$52M equity. All bank debt repaid.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	18ca	48cb	14c	42cab	1.22ab
FY'79	21cab				

a-Incl. prop. sales: 36c FY'78; 5c '79. b-49c int. & 17c loss res. recovery '78; 5c int. '79. (Advised by sub. of Transamerica Corp.)

4N-NATL MTG: 94c* (NMF-OTC) Comment: Moderating risk that land holdings will be difficult to market. Gwinnett Co., GA, lot sales behind schedule. Broker Brent Baird holds 6.7%. (Sh: 3707T, Bk \$2.03) Intangibles: Loss Res. \$3.19; Taxloss \$2.51. Assets: \$31M, 76% non- & 7% low-earn; 58% forcl. Mix: 61% land, 16% comcl; 43% FL. Financing: \$12M debt is 1.6X \$7.5M equity; \$8.5M secured bank credit w/o interest in Ch. XI settlment. Earnings: Nov. Q nil. (FY Feb.; NON-QUAL TRUST)

2 -NATIONWIDE RE: \$17.25 (NRELS-OTC) Comment: Hold for merger. Old Stone Corp. offers \$18/sh. in new 9 3/8% convertible preferred. (Sh: 1047T, Book \$24.45) Converts: High yield. Intangibles: Loss Res. \$1.22. Assets: \$28M, 52% non-earn; 39% foreclosed; Halted new loans. Mix: 25% medical, 14% condos, 11% land; 30% Ohio, 17% Ind. Financing: \$6.2M sub. debent. debt is 0.3X \$25.1M equity; Earnings: Mar. Q 13c. Div: 52c ann. rate. (FY Mar.)

3N-NEWCORP INC. (was COUSINS): \$2.88 (NWC-NYSE) Comment: Hold/sell sh. & bonds for pos. benefits of diversification; Merged into holding co.; Fuqua Ind. to get 5-yr. option to buy 25% of Newcorp sh. at min. \$1.75/sh. if makes \$15M acqui. by 12/79. Old Cousins assets held in sub. CMEI, Inc. (Sh. 3845T, Book 89c) Intang: Loss res. \$6.12; Taxloss \$13.45. Assets: \$109M, 47% non- & 26% lowearn; 63% forcl. Mix: 43% land/develop, 22% apts., 15% lodgings. Financing: \$82M debt is 23.8X \$3.4M net equity. \$52M bank debt at income or 2%, plus contingent, to 12/79.

EPS:	Nov.	Feb.	May	Aug.	Year
FY'78	d10c	d17c	d5c	d1c	d33ca
FY'79	d22cr	6cb			

a-Asset swap gains: 73c. b-8c swap & 31c sale gains. r-Restated. (NON-QUAL CORP.; Self-administered)

2 -NEW PLAN RL: \$9.25 (NPR-ASE) Comment: Buy/hold for good quality yield; Sold 500T sh. at \$10 to redeem convts. & buy props. (Sh: 2537T, Book \$2.75 + Depr. \$2.72 = \$5.47) Assets: \$20M, no nonearn. Mix: 71% shop. ctrs. owned, 14% resid. Specializes in older shop. centers. Financing: \$17M debt 2.5X \$7M equity; Debt: 81% mtgs., 18% subor.

EPS/CFS	Oct.	Jan.	Apr.	July	Year
FY'78A	25/25a	25/25a	18/17	0/0a	68/67ca
FY'79	23/22	19/18			

A-Adjusted for 3/2 stock split 11/78. a-Incl. 5c sale gain.

Div: Increased to 84c/yr. paid monthly in June. (Self-administered.)

3N-NJB PRIME: \$1.94* (NJB-OTC) Comment: Hold/buy for Ch. XI benefits or potential merger; Prime Motor Inns offers \$5.50 in cash & stock. (Sh: 1803T, Bk d\$7.81) Intang: Loss Res. \$17.98; Taxloss \$12.03. Assets: \$61M, 69% nonearn; 50% forcl. Mix: 43% motor lodges/restaurants, 27% condos. Financing: \$49M debt over \$11M neg. equity. Ch. XI plan confirmed 3/12/79; Deb. holders took \$625T 6% convts. + 473T shs. + \$1.4M cash. Swapped \$31M assets to repay all bank debt for \$11M extra. gains in May qtr. EPS: Feb. Q d47c. (FY Nov.; NON-QUAL; Self-adm)

3N-NO. AMER: \$4.63 (NAM-NYSE) Comment: Hold; Debt deal avoids default but dilutes stock; Amer. Fincl. buys 36% in restructuring, may buy more. (Sh: 6901T, Book \$6.01) Bonds: Hold 8 1/2s. Intangibles: Loss Res. \$1.51; Tax-loss NA. Assets: \$130M, 31% non- & 57% low-earn; 72% forcl. Mix: 51% apts., 25% condo; 28% FL. Financing: \$81M debt 2.0X \$41M equity; \$32M bank @ 117% prime, 12% maximum.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	d34c	d37c	d32c	d26c	d1.29a
1979	d40ca				

a-Incl. sale gains: 12c '78; 3c '79. (Self-adm.)

2N-NOWSTRN FIN: \$9.63 (NFINS-OTC) Comment: Recovery and/or liquidation spec. Broker Brent Baird owns 13%. Seeks taxloss use. (Sh: 1510T, Bk \$14.59) Intangibles: Loss Res. \$1.77; Tax-loss \$3.64. Assets: \$29M, 17% non- & 8% lowearn; 17% forcl. Mix: 7% apts., 6% off., 7% land, 44% intermed-long; 50% NC. Financing: \$7M bank debt 0.3X \$22M equity; \$7M bank lines w/2 banks at 1/2% over prime.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	8c	4c	12ca	9ca	33ca
1979	15ca				

a-Incl. tax benefit: 17c '78; 7 1/2c '79. (NON-QUAL TRUST; N. Car. bank adviser; To become self-adm. 6/30/79 & change name.)

3 -NOWSTRN MUT: \$10.50 (NML-NYSE) Comment: Hold, 1% prime=2c/sh. qtr, but difficulties appear discounted. (Sh: 4758T, Book \$19.03) Converts: Safe. Intangibles: Loss Res. 63c. Assets: \$239M, 8% non- & 4% low-earn; 8% forcl. Mix: 28% office, 23% shop. ctr., 12% indust.; 57% LT mtgs. Financing: \$156M debt is 1.7X \$91M equity. \$77 1/2M open bank lines; \$12M comcl. paper.

EPS:	June	Sept.	Dec.	Mar.	Year
FY'78	22c	30ca	17c	22c	91ca
FY'79	49cb	17c	20c	21c	1.07b

a-15c sale gain; b-35c sale gains in '79. Div: 25c. Being helped by cap. gains & est. \$1 rate payout. (Major life co. adviser)

2 -PACIFIC RLTY (was US BANCORP): \$19.62 (PTR-ASE) Comment: Buy/hold for improving equity base. (Sh: 840T, Bk \$17.40+Depr. 4.22=\$21.62) Mgmt. est. prop. value @ \$8.40/sh. over net book. Intang: Taxloss \$5.24. Assets: \$44M, 4% non-earn; 2% forcl. Mix: 66% prop. owned or under construction, most indust., rest office. Financing: \$28M debt is 1.9X \$15M equity. \$15M secured term loan to 2/28/84.

EPS/CFS: Aug. Nov. Feb. May Year
 FY'78 4/23c 10/8c 11/27c 48/65c 53/1.23a
 FY'79 28/44b 28/45b 48/65b

a-29c loss res. credit. b-23c loss res.
 credit & 17c sale gains in 9 mon.

May qtr. to include 44c sale gain.

Div: Incr. to \$1.00/ann. rate in May'79; new
 debt agreement lets pay up to 100% cash flow.
 (Self-administered 3/79)

- 1 -PACIFIC SO: \$8.13 (PSMTS-OTC) Comment: LT
 hold; Chrm. of Mission Inv. buys 7.6% & calls
 for liquidation vote; Trust pres. owns 5½%.
 (Sh: 800T, Bk \$12.02) Intang: Loss Res. 98c.
Assets: \$9M, no nonearn or forcl. Mix: 88%
 comcl. LT loans, 6% property. Financing: No
 debt over \$9½M equity.

EPS:	June	Sept.	Dec.	Mar.	Year
FY'78	13c	17c	15c	13c	58c
FY'79	15c	19c	24c	39c	97ca

a-23c litigation settlement.

Div: Up 11% to 80c/yr. rate. (Self-adm.)

- 1 -PENN RE: \$19.00 (PEI-ASE) Comment: Buy/hold
 LT for yield & gains. (Sh: 1561T, Bk \$13.17)
Intangibles: Depr. \$12.99. Assets: \$63M.
 Mix: 38% apts., 36% shop. ctrs. Financing:
 \$52M debt is 2.6X \$20M equity. Debt: 93%
 mtgs.; borrows under \$6½M bank lines.

EPS	Nov.	Feb.	May	Aug.	Year
FY'78	82c	24c	37c	87c	\$2.30b
FY'79	50c	46c			

b-Incl. 88c sale gains.

Div: \$1.65 paid semi-annually, up 14%.
 (Phil. rltly. management)

- 5N-PLAZA RL: \$2.00 (PRISS-OTC) Comment: Avoid
 or trade only. Discussing sale to private
 investor. (Sh: 1114T, Book 73c)
Intangibles: Loss Res. \$2.98; Taxloss \$7.54.
Assets: \$23M, 70% nonearn & forcl. Mix: 88%
 prop. owned. Financing: \$18M debt is 21.8X
 \$815T equity. Debt: \$11M mtgs.; \$7M bank at
 1% cash or earnings to 1983 up to prime.
Earnings: Dec.'78 year d22c.
 (FY Dec.; NON-QUAL TRUST: Self-admin.)

- #2 -PNB MTG: \$10.75 (PNI-NYSE) Comment: Hold for
 LT recovery; Cutting interest vulnerability &
 plans share-share exch. for Sutro Mtg. (Sh:
 2437T, Bk \$19.13) Intangibles: Loss Res. 53c.
Assets: \$92M, 3% non- & 11% low-earn; 13%
 forcl. Mix: 40% LT mtgs.; 46% apts., 16%
 office & industrial. Adding assets.
Financing: \$50M debt is 1.1X \$47M equity;
 \$29M comcl. paper.

EPS:	Dec.	Mar.	June	Sept.	Year
FY'78	22c	16c	23c	24ca	85ca
FY'79	56cb	24c			

a-Incl. 5c prop. sale gains. b-35c sale gain.

Est: FY'79 EPS rising. Div: Mar. 27c, \$1.08
 ann. rate. (Adv. Phil bank subsidiary)

- 2 -PROP CAP: \$11.88 (PCL-ASE) Comment: Buy/hold
 for hi yield & modest EPS gain; Invest. in new
 warehouses. (Sh: 2065T, Book \$13.78) Intangi-
bles: Loss res. 67c. Assets: \$48M, 7% non-
 earn. Mix: 36% apts., 29% office, 20% shop.
 ctrs.; 65% leasebacks, 35% LT jr. mtgs. Seek
 new investments. Financing: \$19.4M debt is
 0.7X \$28M equity; \$15M Bank lines at prime;

\$5M borrowed.

EPS:	Oct.	Jan.	Apr.	July	Year
FY'78	30c	30c	30c	30ca	1.20a
FY'79	30cb	33c	35c		El.25

a-Incl. 10c sale gain. b-10c sale gain.

Div: Incr. to \$1.40/ann. rate in Apr. qtr.
 (Independent mgmt)

- 2 -PROP TR AM: \$5.75 (PTRAS-OTC) Comment:
 Hold; Shamrock Assoc. owns 8.6% & will seek
 liquidation. (Sh: 2338T, Bk \$7.45 + Depr.
 \$1.64=\$9.06) Assets: \$32M, 8% nonearn; 8%
 forcl. Mix: 18% mtgs; 72% investment prop.;
 83% Tex. Seeks jt. ventures to build props.
 & use foreclosed land. Financing: \$16M debt
 is 0.9X \$17M equity; \$15M mtgs.

EPS/CFS	Mar.	June	Sept.	Dec.	Year
1978	2/6b	2/5	11/15b	6/8	20/35cb
1979	7/ a				

a-Incl. 3c prop. sale gain. b-6c gain
 & 3c tender expense.

Div: 36c ann. rate; '78 div. 52% return of
 capital, 14% cap. gains. (Self-admin.)

- 3 -PRUDENT RE TR: \$7.25 (PRU-ASE) Comment:
 Hold; Johncamp Rlty., 60% owned by Campeau
 Corp., Canada, & 40% by John Wartin/Joe
 Akerman (see Compass), bought 80% of sh. at
 \$7; Offer extended to June 29. (Sh: 3146T,
 Net book \$2.40 + accum. depre. \$6.00=\$8.40)
Assets: \$36M, 96% props., incl. apts. pro-
 viding 80% of rents. Financing: \$30.3M debt
 is 4.0X \$7.6M net equity; Debt: mtgs. & leases.
Earnings: Nov.'78 FY: 30c incl. 20c asset
 sale gains. Feb. Q 2c. Div: Paying 28c ann.

- 2 -RL & MTG PAC: \$17.13 (RPACS-OTC) Comment:
 Sh. & Converts: Hold, moderately vulnerable
 to interest rates. (Sh: 1890T, Bk \$18.25)
Intangibles: Loss Res. 20c; Depr. E52c.
Assets: \$99M, 0% non-earn; 14% forcl. Mix:
 26% hotel/motel, 23% office; 67% mtgs; 33%
 prop.; 46% Calif., 22% Hawaii. Financing:
 \$65M debt is 1.9X \$34M equity; \$60M bank
 credit to 12/82; \$30M comcl. paper backing
 & \$30M line to 9½% max.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	24c	21c	29c	38c	1.22
FY'79	53ca				

a-Incl. 20c cap. gain, to be paid at yr-end.

Div: \$1.40/yr., incl. about 20c/sh. depr.
 (Bank of Hawaii adviser)

- 2 -REIT AMER: \$18.38 (REI-ASE) Comment: Hold for
 LT improvement of prop. yld. Sold Atlanta in-
 dustrial park in Apr. (Sh: 1633T, Book \$21.86)
Intangibles: Depr. \$7.87. Assets: \$43M, prop.
 7% vacant overall. Mix: 44% shop. ctrs., 25%
 office, 19% indust.; 45% Cal., 12% Mass.
Financing: \$12M mtg. debt is 0.3X \$36M equity.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	67c	31c	28c	44c	1.70a
FY'79	63ca				

a-Prop sale gains: 40c in FY'78; 21c '79.

Div: Up 33%, \$1.60/yr rate; Div. paid since
 1887. Paid 20c extra. in Jan.'79.

(Self-adm.; Oldest U.S. trust)

- 2 -RLTY INCOME: \$11.38 (RIT-ASE) Comment: Hold
 LT for improving properties, good 12% yield.
 High inter. hurts EPS. European group owns

20% of shares. (Sh: 1591T, Book \$11.59)
Converts: Yield. Intangibles: Loss res. 95¢.
Assets: \$69M, 36% non- & 13% low-earn; 42%
 forcl. Mix: 39% mtgs., 19% invest. prop.
Financing: \$54M debt is 2.9X \$18M equity;
 \$136M under \$23½M bank lines at prime; \$20M
 term at 1½% over prime to '80.

EPS: July Oct. Jan. Apr. Year
 FY'79 0.32 3.32b d16c

b-Incl. \$3.94 sale gain.

Div: \$1.40/yr., paying cap. gains. (Self-adm)

- 3 -RLTY REFUND: \$14.50 (RRF-NYSE) Comment: Hold;
 EPS partly sensitive to prime. (Sh: 1377T, Bk
 \$17.34) Bonds: Attractive for yield. Intangi-
bles: No reserve. Assets: \$64M, no problems;
 Mix: 80% wraparound mtgs., 20% LT mtgs; 43%
 apts., 21½% office, 19% industrial. Financing:
 \$39M debt is 1.6X \$24M net equity; \$4M bank
 debt at prime to 10/81.

EPS: Apr. July Oct. Jan. Year
 FY'79 51c 47c 42c 41c 1.81

FY'80 40c

Div: Apr. Q 40c, down 2%. (Adv. Independent
 realty group)

- 3N-REPUBLIC MTG: \$2.38 (RMI-NYSE) Comment: .
 Trading, spec. on swaps; still in red. (Sh:
 2107T, Book \$3.07) Intangibles: Loss Res.
 \$3.82; Taxloss \$11.51. Assets: \$44M, 54% non- &
 24% low-earn; 76% forcl. Mix: 28% land acq. &
 devel., 19% condos, 62% Fla. Financing: \$27M
 debt is 3.6X \$7.5M equity. \$22M bank credit to
 6/79 at prime, pay 2% cash.

EPS: Mar. June Sept. Dec. Year
 1978 d30c +0ca d10c d33c d73ca

1979 d50c

a-Incl. 30c swap gains.

(NON-QUAL TRUST, Independent adv.)

- 2 -RIVIERE RL: \$5.50* (OTC) Comment: Improving
 but small. (Sh: 783T, Book \$8.55 + Depr.
 \$4.85=\$13.40) Assets: \$22M, 2% forcl. & NE.
Financing: \$15M debt is 2.3X \$6.7M equity.
 \$9M mtgs. on prop. Earnings: Mar. Q EPS 12¢;
 Mar. CFS 17¢ vs. 26¢ Dec. Div: 60¢/ann.
 rate. (FY Dec.)

- 2 -SAN FRAN RE: \$20.13 (SFI-ASE) Comment: Buy/
 hold LT for yield & gains. Unicorp Fin., Can.,
 bought 6%. (Sh: 1387T, Bk \$19.69+Depr. \$5.34=
 \$25.03) Intang: Loss res. \$1.39; Assets:
 \$63M, 5% forcl. & non-earn. Mix: 70% office,
 most bank occupied; 6% apts. Seeks new props.
Financing: \$33M debt is 1.2X \$27M equity;
EPS/CFS Mar. June Sept. Dec. Year
 1978 23/28c 25/33c 29/35c 33/40 1.10/1.36
 1979 32/42c
Div: \$1.60/yr. rate. (Independ.)

- 2N-SAUL RE: \$7.75 (BFS-NYSE) Comment: Still buy-
 out candidate; Props. improving & selling apts
 as condos. Insiders own 16.3%. (Sh: 5893T, Bk
 p\$4.37) Bond & converts: For yield. Intangibles:
 Loss Res. 4¢; Depr. \$3.49; Taxloss \$6.66.
Assets: \$242M, 12% non- & 10% lowearn. Mix:
 94% props; 39% shop. ctrs., 28% apts.
Financing: \$215M debt is 8.0X \$27M equity;
 \$49M under bank revolver at 125% prime; \$105M
 mtgs. incl. new \$51M w/proceeds to pay banks.

EPS: Dec. Mar. June Sept. Year
 FY'78 d29c d20cb d16cb d20cb d84cb
 FY'79 d13cb d20cb

b-Incl. 25¢ gain on asset sales in '78;
 2¢ in '79.

(NON-QUAL TRUST: Wash. rly. group advisor)

- 1N-SECURITY MTG: \$4.38 (SMO-ASE) Comment: Buy;
 Sold 923T sh. @ \$3.25 to Smith, Barney RE,
 signaling poss. EPS breakout. Holder filed
 suit re sale below book value. (Sh: 7410T,
 Book \$5.70) Bonds: Fairly priced. Intang:
 Loss res. \$1.40; Taxloss E\$2.45. Assets:
 \$110M, 27% nonearn; 25% forcl. Mix: 42%
 comcl. mtgs., 17% medical mtgs. Finances:
 \$59M debt is 1.4X \$42M net equity; \$5M
 bank debt at 125% of prime extended to
 6/29/79. Renegotiating for \$15M.

EPS: Dec. Mar. June Sept. Year
 FY'78 d2c dlca d13ca d3ca d18ca
 FY'79 dl c 6c

a-Incl. 4¢ debt extinguishment gain.

(CAN END REIT: Smith Barney affil. is adv.)

- 2N-SO ATLANTIC: \$5.00 (SAT-NYSE) Comment: Im-
 proving spec. on condo sales or acquisitions.
 (Sh: 2706T, Book \$2.98) Bonds: Inter. paid
 8/78. Spec. yield. Intangibles: Loss Res.
 \$4.99; Taxloss \$8.72. Assets: \$109M, 70%
 non- & 16% low-earn, 82% foreclosed. Mix:
 57% apts/condos, 37% land; 90% Fla.
Financing: \$89M debt is 9.9X \$9M equity.
 \$69M bank credit to 6/79 accruing at prime.
EPS: Jan. Apr. July Oct. Year
 FY'78 d57c d46c 8ca 34cb d61cab
 FY'79 d35cb d37c

a-83c loss reserve credit. b-57c swap
 gain & 40c sale gain '78; 27c & 22c '79.

(NON-QUAL: Becoming SO. ATLANTIC FINANCIAL CORP)

- 2N-STATE MUT: \$5.25 (SMU-NYSE) Comment: Spec. on
 benefits of new money; agrees to merge with
 Greenville Corp. & sell 2.79M new sh. for
 \$5.03/sh. (\$14M) cash & assets to Belzberg
 Group, Canada; then offer new sh. to present
 holders @ \$5. (Sh: 2786T, Bk \$8.92) Bonds:
 Hold. Intang: Loss Res. \$3.02; Taxloss \$7.33.
Assets: \$50M, 53% non- & low-earn; Mix: 25%
 apts.; 24% land. Financing: \$23M debt is 1.0X
 \$23M equity; Sr. debt \$16M at 2% to 7/79.
EPS: June Sept. Dec. Mar. Year
 FY'78 dl6c dl5c 9.62a 4c 9.35a
 FY'79 6cb 23cb 10cb 69cb 1.08b

a-\$8.39 debt restructuring gain.

b-Taxloss benefit 32¢; asset sales 39¢
 & 41¢ interest forgiven.

(NON-QUAL TRUST: Major life co. adv.)

- 2 -SUTRO MTG: \$10.00 (SUT-NYSE) Comment: Buy
 for LT recovery at 36% below book value;
 To seek shareholder OK of sh.-for-sh. exch.
 for PNB Mtg. & Rly.
 (Sh: 2322T, Book \$15.59) Converts: Safe
 yield. Intangibles: Loss Res. \$1.18.
Assets: \$63M, 12% nonearn; 7% forcl. Mix:
 32% office, 15% hotel/motel, 23% indust.;
 most CA. Financing: \$25M debt is 0.7X \$36M
 equity; Debt is 82% converts, rest bank lines.
EPS: June Sept. Dec. Mar. Year
 FY'78 19c 32c 12c 20c 82ca
 FY'79 26c 32c 25c 27c 1.11b

a-Incl. 31¢ asset sale gains.

b-Incl. 34¢ asset sale gains.

Div: Mar. 25¢, \$1/yr. rate. (Advised by Los Angeles mortgage banker)

2N-TEXAS FIRST: \$5.13 (TFMRS-OTC) Comment: Spec. on recovery or favorable merger. Last operating props. sold Dec. Q. Eastover owns 31% sh. (Sh: 1055T, Book \$7.87) Intangibles: Loss Res. \$2.61; Taxloss \$8.53. Assets: \$11M, 88% nonearn; 67% forcl. Financing: \$0.7M bank debt is 0.08X \$8.3M equity; Bank credit paid off 5/79. Earnings: Mar. Q d8¢ after 4¢ sale gain. (FY June; NON-QUAL TRUST: Self-adm.)

2N-TIERCO: \$3.33 (TIERS-OTC) Comment: Spec. at 47% below book; NYC investor J. Upham holds 10%. (Sh: 1186T, Book \$6.41) Intangibles: Loss Res. \$2.02. Taxloss \$9.61. Assets: \$28M 30% non- & 49% low-earn. Mix: Heavy Okla. & Tx. Financing: \$17.7M debt is 2.3X \$7.6M equity; \$4M bank debt accrual to 8½% or prime, to 6/80. Earnings: Dec. FY 75¢ after 65¢ swap gain. Mar. Q d27¢ after 9¢ loss res. recovery & 23¢ litigation charge. (FY Dec.; NON-QUAL TRUST: Self-adm.)

2N-TRECO INC: \$1.25 (TRECS-OTC). Comment: Improving spec. on restructuring & expanding rlt. mgmt. (Comm.Sh.: 2289T, Book p\$1.07) Bonds: Inter. current on all bonds. Old 8½s & new pfd. now convertible at \$1.62/sh. or 5.39M poss. shs. Westchase Rlt., Neth. Antilles co., buys \$1.3M of 8½s. Intangibles: Loss Res.\$10.03; Taxloss \$25.29. Financing: \$79M debt is 39X \$2M equity; \$59M six-year bank credit at 1% inter. + partial asset pledge. Earnings: Mar. Q 18¢; Mar. FY 5¢ incl. 1¢ extra gains. (FY Mar., Now self-administered CORP.)

2N-TRI-SOUTH MTG: \$3.38 (TRI-NYSE). Comment: Spec. on meeting liquidity needs; Poss. \$1.49/sh. inter. forgive. June Q; Morgens/Waterfall, NYC, cld. convert to 13.4% of sh. (Sh: 2276; Book \$3.89) Bonds: New 10% sr. notes due '92 convt. @ \$2½; Old 7-3/4s current but \$11.4M due 2/15/80. Intang.: Loss res. \$9.18; Taxloss \$10.58. Assets: \$74M, 57% nonearn., 16% low; 45% forcl.; Mix: 39% mtgs., 16% invest. props.; 33% GA, 21% TX. Financing: \$43M debt is 4.9X \$8.9M equity; Cut bank debt to \$7M at 6% on 3/79.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	d23¢	d 5¢b	1.34b	30¢b	\$1.73b
1979	23¢a				

a-11¢ taxloss benefits. b-\$1.48 restructure gains. (Adv. by 3 SE banks; NON-QUAL)

4N-UMET TRUST: \$3.13 (UAT-NYSE). Comment: Spec.; Perpetual Storage, private Utah co., bought 14% & took control 3/79. (Sh: 2109T, Bk 48¢) Intangibles: Loss Res. \$6.76; Taxloss \$9.01; Depr. 78¢. Assets: \$76M, 20% non-, 42% low-earn; 55% forcl. Mix: 26% offices. Financing: \$59M debt is 58X \$1M equity; \$46M bank credit to 8/79 at 6%; Renegotiating.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	d50¢a	d2.16a	d72¢a	\$1.15a	d2.23a
FY'79	2.79b				

a-Incl. 82¢ asset swap gains & \$2.74 inter.

forgive. b-Incl. 95¢ inter. forgive & asset swap gains. (NON-QUAL TRUST; Self-admin.)

#1 -UNITED RLTY: \$11.00 (URT-ASE). Comment: Buy at 38% below book value for problem loan solution; Chrm. Weinberg bought 286T sh. from Fed. Devel. @ \$12.55/sh; owns 12.6%. (Sh: 3610T, Bk \$17.60). Intang: Loss Res. \$1.08. Assets: \$77M, 39% non- & 4% low-earn; 34% forcl. Mix: 17% GNMA's (pledged), 43% other mtg., 6% invest. prop. Financing: \$10M debt is 0.2X \$63½M equity. Pledged GNMA's to repay banks \$8M.

EPS:	Feb.	May	Aug.	Nov.	Year
1978	20	20a	21a	20a	81¢a
1979	20¢				E82¢

a-2¢ sale gain May, 2¢ prepay. in Aug., 5¢ litigation charge. Nov. Div: 80¢/annual rate. (Independent)

2N-U.S. REALTY: \$8.00 (UTY-NYSE). Comment: Buy/hold for long-term recovery; Restructuring bank debt & may resume div. Insiders buying. (Sh: 3434T, Net Book \$3.86+ Depr. 10.09=\$13.95) Converts: OK for risk income. Intangibles: Loss Res. \$1.70. Assets: \$85M, 16% non- & 3% low-earn. Mix: 44% mtgs., 57% owned & joint venture property. Financing: \$68M debt is 5.1X \$13.3M equity; \$13.6M bank debt at 125% of prime; got OK to invest \$3.75M internal funds into equities.

EPS/CFS:	Mar.	June	Sept.	Dec.	Year
1978	d 6/7¢	d5/8¢	d6/7¢	d11/13¢	d26/39¢
1979	17/ a				

a-22¢ asset sale gain.

(NON-QUAL; Cleveland rlt. mgmt.)

2 -VIRGINIA REIT: \$12.00 (VARES-OTC). Comment: Hold/buy for long-term. (Sh: 1166T, Book \$9.56 + Depr. \$4.44 = \$13.97). Assets: \$36M, 17% foreclosed & nonearn. Mix: 95% prop. Finance: \$24M secured mtgs. 1.9X \$12½M equity.

EPS/CFS:	Mar.	June	Sept.	Dec.	Year
1978	d5/16¢	d9/d4¢	10/19¢	9/23	15/54a
1979	11/25¢				

a-After 23¢ mtg. prepayment penalty.

Div.: 80¢/yr. rate (Self-adm.)

2N-WACHOVIA RLTY: \$5.88 (WRI-NYSE). Comment: Spec. on LT recovery; Holder seeks liquidation; 36% below book. (Sh: 3335T, Book \$9.13). Intang: Loss Res. \$3.94; Taxloss \$4.62. Assets: \$84M 46% non- & 15% low-earn; 49% foreclosed. Mix: 51% mtgs., 12% land & devel.; 20% shop.ctr., 19% hotel/motel. Financing: \$40M debt 1.3X \$30M equity; \$40M bank debt to 7/79 at prime + contingent inter. at 125% of prime.

EPS:	Nov.	Feb.	May	Aug.	Year
FY'78	d18¢	d28¢	d18¢	d10¢	d74¢
FY'79	d60¢	d8¢			

(NON-QUAL REIT; S. Car. bank adv.)

2N-WALTER RLTY: \$6.38 (WALJS-OTC). Comment: Buy/hold for merger/acquisition potential. (Sh: 1035T, Net Book \$7.67+Depr. 49¢=\$8.16) Intang: Loss Res. \$2.37; Taxloss \$9.71. Assets: \$21M, 37% nonearn; 43% foreclosed; 60% property. Mix: 22% mob. home, 18% indus., 16% shop. ctr., 15% land; 47% Fla. Financing: \$11M debt is 1.5X \$8M equity. \$1M bank debt to 10/79 at 117% of prime; \$9M

Eurodebt extended to 10/81.

EPS: Oct. Jan. Apr. July Year
FY'78 d33c d1.17 d40c +67ca d1.24a
FY'79 27ab d7cb

a-Asset sales: \$1.01 in '78; 42c in Oct.'78.
b-Incl. 8c/sh. taxloss benefits in 6 mos.
(NON-QUAL TRUST; Bldg. mtls. co. adviser)

2 -WASHINGTON REIT: \$25.25 (WRE-ASE). Comment: Buy/hold for income, quality assets, condo potential in apts. (Sh: 1518T, Book \$11.46 + Depr. \$6.64 = \$18.10). Assets: \$31½M, no nonearn. Mix: All property, 98% in Wash. DC area; 54% hi-rise apts, 23% shop. ctrs. Financing: \$16M debt is 0.9X \$17M net equity. Debt is \$15.7M mtgs. + \$0.2M converts. EPS/CFS Mar. June Sept. Dec. Year
1978 34/38 47/52 38/43 52/59 1.70/1.93
1979 44/
Div: Raised to \$2.12/yr. rate in May.
(Independent)

2 -WELLS FARGO M&E: \$14.88 (WFM-NYSE). Comment: Hold for recovery at 16% below book; 1% prime cuts 3c off qtr.EPS. (Sh: 3919T, Book \$17.70) Intangibles: Loss Res. \$1.42; Depr. 96c. Assets: \$224M, 4% non-& 15% low-earn; 5% fore-closed. Mix: 70% mtgs., 26% invest. property. Financing: \$143M debt is 2.1X \$69M equity. Has \$144M open bank lines backing \$122½M comc'l. paper rated A-2. Making new commit. EPS: Sept. Dec. Mar. June Year
FY'78 31ca 39ca 30ca 34ca \$1.34a
FY'79 42a 40a 51ca
a-Asset sale gains: 24c in '79; 26c in FY'78.
Inter. recovery: 15c '78; 17c in '79 9 mo.

Div: Mar. up 17% to \$1.40/yr. rate. (West Coast bank adviser)

2 -WESTERN MTG: \$4.75 (WMTGS-Bos). Comment: Recovery spec.; Insiders buying; Paid yr-end div. (Sh: 1003T, Book \$7.83). Intang: Loss Res. 76c; Depr. 41c. Assets: \$20M, 20% non-& 4% low-earn. Bought 107T sf Shop. Ctr. in N.H. Mix: 44% mtgs., 56% prop. Financing: \$12M debt 1.5X \$8M equity. Earnings: Feb. Q 18c after 14c sale gain. FY 25c after 19c sale gains. Div: Paid 5c 4/79. (FY Feb., Independent mgmt.)

2N-WESTPORT CO: \$3.88 (WSPTS-OTC). Comment: Spec. buy; Deltec Panamer., S.A., buys 6.8%. (Sh: 2388T, Book \$4.58). Converts: Possible tender. Intang: Loss Res. \$5.27; Taxloss \$6.87. Assets: \$71M, 45% non-& 20% low-earn; 31% held for sale, 20% investment; 26% land, 21% office. Financing: \$47M debt is 4.3X \$11M equity. \$42M bank debt to 8/79 at 4% or net income w/conting. int. to 8%; Earnings: dl½c in Jan. qtr. (NON-QUAL; Self-adm.)

2 -WISC RE: \$3.25 (WREIS-OTC). Comment: Spec. on improving trend; Pincus/Abbott bought 8.4% sh. (Sh: 1514T, Net Book \$5.13+Depr. \$3.55= \$8.68) Intang: Loss res. 10c. Taxloss \$1.99. Assets: \$31M, 0.3% nonearn. Mix: 69% props., 18% constr. inventory, 13% mtgs. Bought Orlando homebldr 12/77 & developing land. Financing: \$22M debt is 2.8X \$8M equity. \$19M mtg. debt; \$3M short term. Earnings: Dec. yr. 24c incl. 12c taxloss. Div: Paid 4c special in Apr.'79. (FY Dec.; NON-QUAL TRUST; Self-adm.)

REIT TAX STATUS: All trusts listed except those noted, qualify as real estate investment trusts and are exempt from Federal income taxes to extent they distribute 90% of income to shareholders. Qualified trusts may use taxloss carryforwards to shelter future profits and rebuild capital. Non-qualified trusts have no dividend distribution requirement. Three stages in transition are shown: VOTING POWER TO END REIT STATUS when a proposal is pending before shareholders to give trustees discretion over whether to continue to qualify; CAN END REIT STATUS, when shareholders have given trustees power to end qualification; and NON-QUAL TRUST, when trustees have ended qualification and the entity operates as a business trust taxed as a corporation. Trustees of these entities generally have made no decision on whether to requalify and investors should not assume they will requalify and pay dividends if and when profits are restored. The 1976 Tax Reform Act restricts requalification

Technical notes: Net cash flow per share (CFS) is computed by Audit as: Net income plus depreciation and partnership distributions in excess of earnings less mortgage principal payments and remodeling reserves. Intangibles: Depreciation is added to book value by Audit to approximate market value of properties for cash flow trusts (See RTR, 3/23/79); Loss reserves will normally be spent unless trust recaptures via accelerated dispositions, mainly via asset swaps; Taxloss carryforwards are generally worth 10% to 25% of amounts shown but value varies widely depending upon timing, aggressiveness of management, etc.

MAJOR DEVELOPMENTS AND DATA CHANGES THIS ISSUE

The following stock reviews contain major new developments or financial data since our last Relative Appeal Ranking issue April 13, 1979:

American Century Mtg.	C.I. Realty Inv.	First Memphis Rl.	Investors Rl.	Prudent RE
American Fletcher Mtg.	Cit. & So. Rlty.	First Mtg. Inv.	Lifetime Com.	Riviere
Atlanta Nat. RE	Conn.Gen. M&R	First Union RE	Lomas & Net. MI	San Francisco RE
Baird & Warner Mtg.	Cont. Ill. Props.	GMR Properties	Maryland Rlty.	Security Mtg.
Barnes Mtg. Inv.	Cont. Ill. Rlty.	Guardian Mtg.	Mission Inv.	State Mut. Inv.
Bay Colony Property	Cont. Mtg. Inv.	Heitman Mtg.	Mtg. Growth	Texas First Mtg.
BRT Realty	Denver REIA	Hubbard REI	NJB Prime Inv.	TRECO, Inc.
BT Mortgage Inv.	Diversified Mtg.	ICM Realty	No. Amer. Mtg.	Tri-South Mtg.
Cameron Brown Inv.	Eastover Corp.	IDS Realty	NW Finc'l. Inv.	
Capital Mtg. Inv.	Fidelco Growth	Indiana Mtg.&Rl.	NW Mut. Life MI	
Chase Man. Mtg. & Rlty.	First Denver MI	Institutional Inv.	Pacific So. Mtg.	

NAME CHANGES PENDING OR PROPOSED (see text)

Baird & Warner Mtg. & Rlty. to	Colwell Mtg. Trust to	Investors Realty Trust to
Bayswater Mtg. & Rlty.	CMT Investment Trust	IRT Property Co.
Barnes Mtg. Inv. Trust to	Indiana Mtg. & Realty to	
Homac-Barnes, Inc.	Indiana Financial Inv.	

